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## Christopher: Peace treaty with Jordan only months away

Exclusive interview by 'Post' diplomatic correspondent David Makovsky

ISRAEL and Jordan are likely to sign a peace treaty within a matter of months, Secretary of State Warren Christopher said in an exclusive interview with *The Jerusalem Post*.

Christopher hinted that an Israeli-Jordan peace treaty would be unlikely to progress on the stalled Syrian peace track.

Furthermore, Christopher confirmed for the first time that the US will seek to alleviate Jordanian debt relief and help modernize the Jordanian army in return for its moving towards peace with Israel. He indicated that new military hardware would be dispatched from excess supplies of the US armed forces.

The interview, held in honor of today's White House summit be-

tween Jordan's King Hussein, Prime Minister Yitzhak Rabin and President Bill Clinton, marked the first interview an American secretary of state has given to an Israeli publication in almost six years.

When asked about a timetable for a Jordan-Israel peace treaty, Christopher told *The Post*: "I think it is likely to be measured in months rather than years. It is up to the parties, of course. But the king, by saying a month was too short, gave you the best dimension of the fact that this is not off in the far distant future."

Questioned about whether pro-

gress with Jordan was linked to movement in peace talks with Syria, the secretary of state hinted that Amman may not wait for Damascus.

"The king addressed that," Christopher replied. "Jordan is certainly in favor of comprehensiveness, but they retain their sovereign right to move at their own pace."

Christopher declined to discuss anything related to the US role in brokering a US-Syrian agreement, saying those issues were too sensitive to be discussed publicly.

The secretary voiced confidence that non-neighboring Arab states

would also be more prone to move towards normalizing ties with Israel as a result of today's event.

Peace moves with Jordan, coming on the heels of peace with Egypt and the Palestinians, will also provide Israel with a psychological boost, he said. Christopher said he believes Israel will now have "a feeling it [is] possible for them to be part of a Middle East community. This is, of course, what the US has always been hoping for, working for, that Israel will be accepted as part of that community and not have to live in the isolation of an armed camp."

When asked whether the US would both provide Jordanian debt relief and modernize the Jordanian army, the secretary of state confirmed the US would be helpful to Hussein on both fronts.

"Yes, we are committed to working with him in both of those areas," Christopher answered. "We are working with Congress right at this present time. I am making phone calls now. In terms of furnishing military equipment, Jordan is undertaking a review of their military capability. I think they will probably do what many countries have done, and that

is, both downsize and modernize. After they have finished that review, we are prepared to work with them, especially with our excess defense articles."

While Christopher sought to cast the Jordanian military downsizing as a cost-cutting measure, there is speculation that the move to drop from four to three fighting divisions is being done to make modernization of the Jordanian military unworkable to Israel.

Senior Clinton administration officials have privately denied reports that Jordan has already asked for F-16

aircraft, saying no specific requests have been put forward while the Jordanian review is being undertaken. They have also denied remarks made by Rabin at the Knesset foreign affairs and defense committee last week saying he believed a US memorandum of understanding has been reached.

Christopher confirmed that he is reaching out towards congressional leaders to win support for Jordanian debt forgiveness. The secretary of state has already phoned key senators Robert Byrd, Daniel Inouye and Patrick Leahy in a bid to win their support, a senior Clinton administration official said.

Full transcript of interview, Page 2

### Opposition to Labor-Shas agreement growing in coalition

MICHAEL YUDELMAN

THE Citizens Rights Movement's governing council yesterday unanimously rejected the coalition agreement between Labor and Shas, which it characterized as "totally unacceptable."

It urged its Knesset and cabinet representatives to do everything within their power, including the right to veto specified in the Meretz-Labor coalition agreement, to prevent the implementation of the pact.

The agreement includes a promise by Labor to amend the Basic Law: Human Dignity and Freedom, so that it cannot be interpreted to the detriment of the religious status quo. Under the agreement, if the High Court of Justice, basing itself on this law, issues a ruling perceived as contradicting religious values, Labor would move to pass legislation to circumvent the ruling.

The CRM council stated that such an agreement, if realized, would cause a severe violation of Israel's democratic character. It called on the other Meretz components, Shimi and Mampam, to reject the agreement as well.

Meretz's Knesset faction will meet today to formulate its position on the agreement.

Opposition is brewing in Labor, too. By last night, it appeared that only Prime Minister Yitzhak Rabin, when he returns from Washington, would be able to find a compromise formula enabling Shas to join the coalition.

Following the attacks on the agreement yesterday, Shas's MK Shlomo Benizri said that Shas would have to reconsider joining the coalition. He said that although they had secured Rabin's commitment to the agreement, the premier had promised to

## US: Israel, Jordan to sign non-war pact

### Clinton hosts Rabin, Hussein in White House ceremony today



Prime Minister Yitzhak Rabin and his wife Leah arrive yesterday at Andrews Air Force Base in Washington, D.C. (AP)

PRIME Minister Yitzhak Rabin and Jordan's King Hussein will sign an agreement today ending the 46-year state of war between their countries, a senior US official said yesterday.

The non-belligerency agreement will be signed on the South Lawn of the White House at about 11:00 a.m. Washington time, just meters from where Israel and the PLO signed the Declaration of Principles 10 months ago.

State Department officials, led by peace team coordinator Dennis Ross, were putting the finishing touches on the document yesterday, but its exact contents could not be determined.

Although Israel and Jordan also worked on the declaration, the US wanted the summit to be "more than significant symbolically, it should be substantively significant as well," the senior US official said.

An Israeli official here, however, said that the agreement "was still not final. We're still working on it."

Appearing on US television yesterday, Secretary of State Warren Christopher said today's event demonstrates how "the walls are coming down in the Middle East, and it's a very exciting time."

"Added to the event with [PLO Chairman Yasser] Arafat last year, it really is both symbolic and a matter of substance. It means that there's an acceptance of Israel and there's an acceptance of

peace. I don't think things will ever be the same again in the Middle East after these historic events," Christopher said.

Rabin arrived here at Andrews Air Force Base early yesterday to begin preparations for today's meeting. He was due to meet with

**Post staffer in Syria**  
The *Jerusalem Post* diplomatic correspondent David Makovsky visited Damascus last week with top-level Syrian authorization. The trip marked the first time that a reporter for an Israeli publication was allowed to visit Syria.  
Full story Page 2

Christopher at the State Department last night.

Rabin's delegation includes Foreign Minister Shimon Peres, Deputy Defense Minister Mordechai Gur, Defense Ministry legal adviser Elyakim Rubinstein, who was the chief negotiator in the Jordanian talks since they began nearly three years ago. Knesset Speaker Shevah Weiss, Eilat Mayor Gabi Kadosh and Rabat Mayor Talai Alkarnawi. Also accompanying Rabin are several soldiers who fought the Jordanians in the War of Independence and the Six Day War, and relatives of soldiers who fell in those wars.

While Rabin and Hussein meet

publicly for the first time in Washington, Jordanians will officially step on Israeli soil for the first time. Jordanian officials are due in Israel today to meet with Foreign Ministry staffers, to lay the groundwork for the next round of peace talks expected to begin August 8.

The Jordanian delegation, headed by Gen. Mansour, will meet with the Foreign Ministry team, headed by Assistant Director-General for Administration Nissim Ben-Shitrit and spokesman Aviv Siron, at the Dead Sea Works, where the August session is to also take place.

"This is a turning point for the Middle East, a fundamental change in the standing and the situation of Israel," Peres said just before he and Rabin arrived in Washington.

Beginning at 10:00 a.m. today, Rabin, Hussein and their respective delegations are to arrive at the White House and sign the official guest book. Each group is to meet for 10 minutes with President Clinton.

With only journalists and diplomats attending, Clinton will preside over a brief Rose Garden welcoming ceremony, in which each of the leaders are to speak for two minutes. The three leaders will then adjourn to the Cabinet Room for a 1½-hour meeting.

US First Lady Hillary Rodham Clinton will simultaneously host a "tea summit" with Leah Rabin and Queen Noor.

At 11:45, Clinton, Hussein and Rabin are to address 500 invited

(Continued on Page 2)

## IDF reduces forces by a third in Hebron

Jerusalem Post Staff

THE IDF has reduced its forces in the Hebron region and elsewhere in Judea and Samaria compared to the forces on duty who were there after the Machpelah Cave massacre, senior army sources said yesterday.

The cutback followed an army assessment that massive disturbances in the region have dropped significantly and will continue to do so, and because regular army soldiers need to increase training.

However, Deputy Chief of Staff Maj.-Gen. Amnon Shahak said at yesterday's cabinet meeting that

"since Arafat's arrival in Gaza, there has been a serious deterioration in the security situation in the field."

An IDF source said yesterday that terrorism will continue to keep the IDF busy for the near future, but the dropoff in incidents will continue at a rate similar to the decrease in terrorism preceding the Machpelah Cave massacre. The IDF is also prepared for possible Hamas terrorism or acts of terror by Jewish extremists.

The source added that the Palestinian population in Judea and Samaria has yet to feel the changes created by the accord with the PLO, while the Jewish population is living with uncertainty about the future, making both groups potential sources of trouble.

The source said the IDF could see several scenarios that might unfold in Judea and Samaria: one would see negotiations for the transfer of au-

thority progressing, with street violence dropping further but with Rejection Front terrorist groups, especially Hamas, continuing their terrorist activities; the other scenario envisions the talks bogging down, with a resulting loss of trust and crisis of expectations possibly leading to increased violence by local residents, and increasing support for Hamas.

Economic conditions for residents of the territories will gradually improve in the months to come, the source said, with more permits issued to work inside Israel.

## IAF aircraft rushing medical aid to Rwandan refugees in Zaire

Jerusalem Post Staff and news agencies

EIGHT Hercules aircraft loaded with medical personnel and equipment, including a complete field hospital, took off last night from an air force base in the center of the country, bound for Goma in Zaire, just across the border from Rwanda.

After the planes land this morning, the medical staff is to proceed to the area near the city where more than 1 million Rwandan refugees are camped, to set up the hospital. The medical team is being led by the IDF's chief medical officer, Brig.-Gen. Michael Weiner, and consists of reserve soldiers who agreed to the assignment with only a few hours' notice.

The loading of the equipment began early yesterday morning. Along with the medical equipment, food, water, and chemicals for water purification. Thousands of refugees are sick with cholera, but Weiner said

that this disease could be treated if caught early.

All through the day, members of the team were vaccinated against various diseases, including hepatitis A and B. A senior source in the Medical Corps said, however, that some of these vaccines do not become effective for a week or even longer.

The planes took off from the air force base one at a time, an hour apart from one another, due to the limited space at the Goma airport. They were to refuel in Nairobi, Kenya, before proceeding to Goma. Upon arriving there, the planes were to remain with their engines on, to take off immediately after the equipment was unloaded.

The US military began yesterday air dropping supplies to the stranded Rwandan refugees.

"We have already air dropped 16,344 kg of supplies," said Commander Ron Morse, spokesman of the US army's European Command in Stuttgart.

Morse branded the mission a success.

"It went where it was supposed to go," he said.

Refugees meanwhile started trickling home after Zaire reopened the border yesterday, escaping the filthy, crowded camps where the death toll from cholera, exhaustion and dehydration has skyrocketed.

US food and medical aid began reaching some refugees, but relief workers say it won't prevent more deaths this week. There were estimates that as many as 10,000 people have died since Wednesday.

"Everybody is dying here," Jean de Dieu Kadogo, a farmer, said as he

led a small boy across the border.

"We'd rather go home," Zairian Prime Minister Kengo wa Dondo reopened the border yesterday, leading a procession of 20 carloads of officials and red-bellied soldiers to cheers and yells from the waiting refugees.

At least 2,000 streamed over in the first hour, then the flow slowed to a few people every five or 10 minutes. Aid agencies hope an exodus home could ease the catastrophe, but there was no indication that the weakened refugees were ready to walk home en masse, as they came here.

With deep sorrow, we announce the passing of my  
dearly beloved wife, our mother, sister and  
grandmother

**PERLA LEWIN**

The funeral will take place on Tuesday, July 26, 1994 at  
11 a.m. at the Yarkon Cemetery on the Trans Samaria Highway.  
We will meet at the gate.

Mourners:

Her husband Yehuda

and all the family members in Israel and overseas

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# Mubarak tries to persuade Assad to make a move on peace talks

EGYPTIAN President Hosni Mubarak spent several hours in talks with his Syrian counterpart yesterday and returned home saying he hoped 1994 would be the year of "full peace on all the fronts."

But Syrian leader Hafez Assad was less optimistic.

"We started the peace process according to clear rules, and it has gone on, but efforts exerted by the participating and non-participating Arab parties have not been matched by the negotiation sponsors or the Western parties... therefore, it is hard to determine if 1994 will bring realization of peace," he said.

Mubarak arrived in Damascus yesterday for several hours of talks with Assad to mediate stalled peace talks between Syria and Israel.

The first meeting was attended by members of Mubarak's delegation and senior Assad aides including Syria's prime minister and foreign minister, while the second round was

## News agencies

closed, according to the president's spokesman.

The two sides discussed regional and bilateral subjects and the peace process during their discussions, said spokesman Jibril Kourieh.

"We want peace as we imagine it, and as we have requested it many times... a peace that preserves everyone's rights," Assad told a news conference after his talks with Mubarak.

In an interview with reporters on the plane to Washington, Prime Minister Yitzhak Rabin signaled that Syria must remain part of the peace process.

"We began with the Palestinians and I hope also with the Jordanians, (but) not in order to harm moves towards comprehensive peace with all the Madrid peace conference partners," he said.

Commenting on the stalemate with Syria,

Foreign Minister Shimon Peres described the situation as "very delicate" and appeared to suggest that Assad would make no moves that could be seen as meekly following Jordan's lead.

"I think the Syrians will not want to be excluded from the peace circle," he said. "But on the other hand, they do not want to be caught in the Jordanian and Palestinian spotlight. That is why I do not expect a breakthrough with Syria in the coming weeks."

US Secretary of State Warren Christopher said that the breakthrough with Jordan bode well for the Israel-Syrian track.

"I think there's a historical moment there for Syria and Israel, and I think that they can see on the horizon some of the kind of progress that's been made on the other tracks," he said.

"(Israel and Syria) are talking to each other more seriously, more substantively than ever before," said Christopher on US television.

# Israeli passenger planes cleared to fly over Jordan

## Jerusalem Post Staff

JORDAN has agreed to allow Israeli passenger flights over its airspace, and Israel is likely to reciprocate, Transport Minister Yisrael Kessar announced yesterday.

"Jordan agrees to grant Israel permission to use its airspace for civilian flights to India and the Far East," Kessar said in a statement.

Kessar is acting prime minister during Prime Minister Yitzhak Rabin's and Foreign Minister Shimon Peres' absence in Washington.

Transport Ministry spokesman Eli Danon received the Jordanian decision yesterday. It was not

clear when the permit would take effect.

In Amman, Ahmed Juweiber, head of Jordan's Civil Aviation Authority, denied the report, however.

Jordanian and Israeli officials meeting last week in peace talks agreed to work towards civil aviation cooperation. They said an agreement would be reached by October.

Kessar's statement said Israel would likely allow Royal Jordanian airlines to fly over a northern

corridor, and not over the center of the country as requested.

A government official said the US is also pressuring Saudi Arabia and Gulf states to allow Israeli national carrier, El Al, flying rights.

Israeli planes heading towards the Far East would thus fly east over Jordan and then head south. Continuing east would mean entering airspace over Iraq - an unlikely partner in any current aviation agreements.

Even so, the Tel Aviv-Bangkok route would be reduced from 15 hours long to 7 1/2 hours.

# Summit coverage live on radio, TV

## LIAT COLLINS and news agencies

THE country's broadcast media are gearing up for live coverage of the Rabin-Hussein-Clinton summit in Washington today and tomorrow, and changes are expected in the broadcast schedule of Channel 1, Channel 2 and the radio stations.

Live coverage will start today at 4:30 p.m. on Channel 1 and Israel Radio, and 4:45 p.m. on Channel 2. ETV's *New Evening* has been pushed up to 4 p.m.

Israel Television head and former Washington correspondent Yair Stern has gone to the US capital for the broadcasts, while the Channel 2 team includes Aharon Barnea and Emmanuel Rozen.

Tomorrow, Channel 1 will have live coverage of the speeches at 6 p.m. followed by reports from the area and the news conference at 11 p.m., while Channel 2 starts its special broadcasts with a summary at 5 p.m., before the speeches.

Radio Two will have two days of open broadcasts on the meeting, including live coverage of the speeches, and Radio One will carry simultaneous Hebrew translations of the speeches.

Meanwhile, Jordan yesterday ordered six Israeli reporters, who arrived last week on foreign passports, to leave the kingdom immediately. The

reporters, who said they were threatened with imprisonment, said they did not plan immediately to abide by the order.

"We will wait and see what happens next," said Adar Avisar of *Ma'ariv*.

Government officials were not immediately available for comment.

The expulsion order struck a jarring note after the warm atmosphere that prevailed during the peace talks which marked several firsts, including allowing Israeli journalists into Jordan to cover the events.

Avisar said the reporters were "astounded" when ordered to leave by Nayef Mawla, a secretary-general at the Information Ministry.

He said an earlier meeting with Mawla yesterday had been "cordial and calm."

Avisar said the reporters previously had planned to leave the country within 48 hours after the scheduled Washington summit.

During their nine-day visit, the reporters were allowed to cover the peace talks and attend official news gatherings, including one at the Prime Minister's Office. Yesterday they were told there was no reason for them to still be on Jordanian soil.

# An Israeli journalist's view from Damascus

## REPORTER'S NOTEBOOK

DAVID MAKOVSKY

I VISITED Damascus last week with top-level Syrian authorization, thanks to the personal intervention of Secretary of State Warren Christopher with his Syrian counterpart, Farouk Shara, last Tuesday.

The trip marked the first time that a reporter for an Israeli publication was officially allowed to visit Syria.

My visit, which was initially denied by the Syrian authorities, was subsequently permitted on condition that I arrive in Damascus on my American and not Israeli passport, writing in my capacity as a regular contributor for an American publication.

As per the US-Syrian agreement, I did not write a story in my capacity as diplomatic correspondent for *The Jerusalem Post* during my stay in Damascus.

However, as US State Depart-

ment Mike McCurrey said, "The Syrians were aware" that I also write for the *Post*.

The story of my trip to Syria was first disclosed by United Press International and Voice of America.

I see this trip as a favorable first step. Initially, I hope it will be followed up by allowing all Israeli reporters to visit Syria, chronicling the peace negotiations and getting a flavor of the country.

Such visits would contribute to what should be the essence of peace - a free flow of people, breaking down the barriers that have divided these countries for decades. While very much aware of the problems and with no illu-

sions about current Syrian restrictions, I want to thank US and Syrian officials who made the trip possible, and hope it is a harbinger for a more open policy in the future.

During my one-day stay in Damascus, I was informed that Syrian television has recently liberalized its restrictions on airing Israeli officials' remarks. Excerpts of a speech by chief Jordan negotiator Elyakim Rubinstein to Jordan delegates at Ein Avrona was shown last week, as were five minutes of remarks by Foreign Minister Shimon Peres at the Dead Sea Spa Hotel.

In Damascus' famed Hahamdiya market next to the well-known Omayyad Mosque, I found Syrians saying they supported President Hafez Assad's call for an "honorable" peace with Israel, so long as they recover the Golan. They said they are fatigued by decades of conflict.

However, others remain wary. Walid, who sells Korans near the mosque, said, "Israel is approaching peace like petals of a flower. First, they pick off the Palestinians, now they pick off the Jordanians. This may be good for Jordan, but I don't think it will be good for us. Why won't Israel give us back our land, even when the UN says so?"

Pointing to his eight-year-old daughter wearing a white scarf outside his book stall, Walid said: "Peace is not good now. But if we get our land back, maybe things will eventually be better for my daughter 50 years from now. But not now."

# IDF findings: Erez checkpoint riots were not planned

THE IDF yesterday said its investigation of last Sunday's riots at the Erez checkpoint showed there was no evidence the disturbances had been planned in advance.

Yesterday morning, 18,000 Gaza workers passed through the checkpoint to their jobs in Israel.

Col. Shaul, the commander of the northern sector of the Gaza District, gave reporters a general summary of the army's investigation into last week's riots. He said that while it was clear members of the rejectionist groups had joined the melee and egged the rioters on, "that does not mean for sure the incident had been planned."

The checkpoint is running under new procedures, based on conclusions drawn from the disturbances. Both Israel and the Palestinians have beefed up their forces at the checkpoint. The Palestinians are screening the workers more carefully to assure they have work permits before approaching the checkpoint, and Israel has doubled the number of queues through which workers can pass, Col. Shaul said. The IDF has also fortified sections thought prone to disturbances. (Itim)

# Year's prison for border policeman

A BORDER policeman convicted of beating an Arab laborer together with two colleagues last April, was sentenced to a year's imprisonment by the Tel Aviv District Court yesterday.

Sgt. Haim Hugi was also given a 12-month suspended sentence and ordered to pay the victim, Ahmed Jijara, NIS 2,500 compensation.

Hugi was found guilty of picking up Jijara, a resident of the territories who had come to work here, and taking him to a secluded spot in Tel Baruch, where he and two other border policemen, Yehiel Shitrit and Yehoshua Shalukra beat him and stole his money.

They left him with two broken ribs in a pit in Holon. Shitrit was given a suspended sentence and Shalukra was sentenced to a year in prison at a previous hearing.



CRM members, Meretz MK Ran Cohen and Environment Minister Yossi Sarid, confer at the movement's governing council meeting yesterday.

(Continued from Page One)

obtain Meretz's acceptance of the agreement as well.

If Meretz opposes it, making it impossible for Rabin to muster the required Knesset majority to pass the relevant legislation, then the agreement is no good anyway, he said.

Benizri noted that Shas's conditions for legislation "to bypass or fight the High Court of Justice were necessary because the High Court has been chipping and gnawing away consistently at religious legislation."

Environment Minister Yossi Sarid, who espouses a more moderate line in Meretz concerning Shas, said the agreement initiated with Shas is totally unacceptable. Communications and Science Minister Shulamit Aloni said accepting such an agreement would mean suicide, not only for the party but for the democratic State of Israel. The CRM, Aloni said, would never accept an agreement that overturns the rule of law and turns religious laws into super-laws, damaging the status of the Supreme Court.

MK Benny Temkin said that "Meretz could never be part of a government which changes basic laws and reinforces religious laws. If Labor wants [to form] a government without Meretz, then by all means, let it try to do so."

# COALITION

Spearheading Labor's opposition was Justice Minister David Liba'i, who said the agreement with Shas demonstrates contempt for the Supreme Court and constitutes a severe infringement on the Knesset's authority, posing the danger of religious coercion.

He warned Labor ministers and MKs not to support the agreement, which would halt the efforts to draw up a constitution in Israel. "I won't give a hand to an agreement which binds Labor to amend the law after every High Court ruling which may not be to Shas's liking. This is blatant contempt of the Supreme Court," he said.

Liba'i noted that those who signed the agreement on behalf of Labor did not understand its grave implications for the secular public, which would react accordingly in the next elections.

# ISRAEL

(Continued from Page One)

guests on the South Lawn. That is when the agreement is to be signed, sources said. Rabin and Hussein will then publicly shake

hands for the first time.

The choreography of the handshake has been carefully worked out over the past few days, a White House official said yesterday, with advisers trying not to

precisely duplicate the September 13 Rabin-Arafat handshake. In the evening, Clinton will host the first White House dinner honoring Israeli and Arab leaders since the Camp David accord was signed here March 26, 1979.

Tomorrow at 11:00 a.m. Washington time, Rabin and Hussein will both address a joint session of Congress. Foreign heads of state have addressed Congress before, but two have never appeared together.

After a luncheon in the two leaders' honor with the House and Senate leadership, Clinton is to again meet - this time separately - with each of them.

Lim contributed to this report.

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Lim contributed to this report.

# Christopher to 'Post': Other Arab states will also move towards peace

## DAVID MAKOVSKY

You have said that today's ceremony will accelerate the move to a peace treaty. What sort of timetable do you think we are talking about regarding the signing of an Israel-Jordan peace treaty?

The king answered that by saying a month is too short. But I think it is likely to be measured in months rather than years. It is up to the parties, of course, but the king, by saying a month was too short, gave you the best dimension of the fact that this is not off in the far distant future.

Can you say within six months?

I don't want to say anything more than it will be months, rather than years.

Movement to a peace treaty seems to be unlikely to other tracks such as Syria. Is that right?

The king addressed that. Jordan is certainly in favor of comprehensive peace, but they retain their sovereign right to move at their own pace.

Why do you think the king has decided to move forward towards peace at this moment?

I think he instinctively felt ready. He felt this is something that would be well received in his country. He said, "We've been in an abnormal relationship for a long time and now we have an opportunity to move to a normal relationship." I think it was somewhat impelled by the economic opportunity that he saw from a move towards a normalized relationship.

The king has said that a factor in his going ahead is debt relief and a desire to modernize his army. In principle, are these two areas in which the US will be supportive?

Yes, we are committed to working with him in both of those areas. We are working with Congress right at this present time. I am making phone calls now. In terms of furnishing military equipment, Jordan is undertaking a review of their military capability. I think they will probably do what many countries have done, and that is both downsize and modernize. After they have finished that review, we are prepared to work with them, especially with our excess defense articles.

There are rumors they may want F-16 aircraft. Will there be any US opposition to this?

I don't want to comment on a specific weapon system. Let us wait and see to see how their review comes out.

Of the economic projects mentioned during the Dead Sea meeting last week, which have a chance of success?

I think the biggest peace dividend is in joint developments along the border, and joint development coupled with a more effective use of existing water, new water supplies, are of greatest interest. Of course, development of Akaba-Eilat, depends some sort of

a free-trade zone in that area. It's such a beautiful, and potentially prosperous, area.

What was the personal meaning of the Dead Sea ceremony for you?

One of the things that struck me most was the effect that it had on the people. They have been isolated by the force of circumstance, the force of history. Here was an opportunity for them to travel to an adjacent country. How artificial it was, how strange it was for them not to be able to travel there. As an American who travels so easily back and forth to Mexico and Canada, it took me some time to come to grips with why it was so meaningful to them.

I also think there was a kind of discrimination that Israelis felt. They felt that all the area where they were living in was discriminating against them. Now here is a kind of release from discrimination.

It gave the Israelis, at least I sensed it did, a feeling it was possible for them to be part of a Middle East community. This is, of course, what the US has always been hoping for, working for, that Israel will be accepted as part of that community and not have to live in the isolation of an armed camp...

I think it has an effect on Israelis, the effect to know how much more is possible in their lives. They now have a government to take these risks, to grasp these opportunities, to provide for a more normal relationship and end the discrimination against them of not being able to travel to adjacent countries.

Could it have happened without an Israel-PLO accord?

You go back 16 years to [Egyptian President Anwar] Sadat, and the great first move that he made. It is really part of that, in a sense. He made the first dramatic move and that resulted in normalization. Last year, Arafat made his move, and there was a dramatic handshake. I think those two things make other things more possible.

I think there is a growing momentum. I think both steps were probably useful and gave a sense of confidence to the king that he could do it in an acceptable way. But I would go all the way back to Sadat, as an important precedent.

I think the fact that these three things have happened will make the next step easier.

That Jordan has normalized relations will affect the non-frontline states. It will be easier for them to normalize relationships because it suddenly becomes much more accepted and conventional.

Can the non-frontline states do that now?

I think a number of them will be moving in that direction over time now. Some of them will probably still look to Syria. But that fact that the king felt able to do this being right there next to Israel, after four decades of a state of

war, it will give them confidence. They can point to it and say: "If the king can do it, we can certainly consider doing it. I think it will certainly accelerate the whole process of normalization."

Sadat, Arafat, and King Hussein all have been involved in public diplomacy. In one way or another, is that the model for these states which have yet to move forward? I think public diplomacy will either precede or accompany changes like this.

Yasser Arafat often does not speak the language of inclusion that, say, Nelson Mandela does. So you have an odd situation whereby the Israelis largely feel that the security aspect of Gaza-Jericho is working, but Arafat statements like calling for jihad or other inflammatory remarks about Jerusalem make Israelis upset or jittery about whether he is the right peace partner. How would you counsel Israelis to react?

No two of the great leaders of movements like Mandela or perhaps Arafat are identical, or even perhaps similar, in approaches. They each have their own distinctive approach. I guess what I would say is not to excuse anything he has said, but to recognize that he says a lot of things and makes a lot of statements.

Judge him more by the Declaration of Principles that was signed and the actions that are taking place on the ground. He has a big constituency to whom he feels the need to reach out. I think that it would be wise to judge him as a political figure who sometimes says things for the effect on his constituency.

I am certainly not trying to apologize for his statements. But it is well to look at the context that over the years he has done a lot of talking, but nonetheless he is the leader you have to deal with.

Given the recent Erez riot in Gaza, do you think Israel is doing enough to help economically strapped Palestinians?

I know talking with the prime minister that he feels a responsibility to do all that he appropriately can... I think Israel is cooperating with them because they understand as well as anyone, perhaps better than anyone, the importance of [Arafat's] succeeding. Now that there has been progress on so many different peace fronts are there good prospects for ending the Arab boycott?

Absolutely. Every place I go, I push for that. Certainly, the secondary and tertiary aspects are really breaking down. The practical effect is broken down all the way across the area. I think what is de facto will become de jure as time passes.

Is there a timetable?

No, I don't see a timetable. I think the sooner, the better. I think the fact that the Palestinians have an economic relationship with Israel ought to make the Palestinians one of the advocates of lifting the embargo.

We offer condolences to the

Schwarz Family

on the death of our distinguished and generous benefactor in the disaster which struck your family

**SHAUL SCHWARZ HALEVY**

President of the Beit El Community in Panama, an honest and God-fearing man, who supported Torah and charitable institutions

May you be comforted in the continuation of his activities, and may you know no more sorrow.

Rabbi David Laine  
Rabbi Efraim Wolff  
Staff and Pupils  
Vocational Schools Lubavitch, Kfar Habad



# Winning cards

In yesterday's Mifal Hapayis daily Chance card draw, the lucky cards were the nine of spades, ten of hearts, queen of diamonds and eight of clubs.

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Dr. Arnon Nagler of Hadassah-University Hospital Ein Kerem, discusses the stem-cell transplant used to treat toddler Adva Yihye.

## Toddler given umbilical stem cells from infant sister in rare transplant

FOR the first time in Israel, a toddler was yesterday given stem cells from the umbilical cord of her one-month-old sister in an attempt to cure her of the severe genetic blood disorder thalassemia.

Doctors at Hadassah-University Hospital in Jerusalem's Ein Kerem said that in three weeks they will know whether the stem cells "took." It is only the second time in the world that umbilical stem cells were transplanted into a thalassemia patient, and the 50th time umbilical cord cells have been used to treat a blood disease.

JUDY SIEGEL

Adva Yihye, an 18-month-old girl from Afula, received an injection of hemopoietic (related to production and growth of various blood cells) red cells taken from the umbilical cord of her sister Ori. Immediately after the baby was born, Hadassah doctors collected the blood, mixed it with anti-clotting agents and froze it.

Only after microbiological and genetic tests showed the baby was not affected by thalassemia and was a perfect genetic match for Adva was

the blood defrosted and used to treat her.

Ordinarily, certain genetic diseases and blood cancers may be cured with bone-marrow transplants taken from the hip of genetically matched donors or collected from their blood cells.

In recent years, it was realized that umbilical-cord blood is a very rich source of young hemopoietic stem cells that can be used for transplant. The immunological system in umbilical blood is not fully developed, thus the incidence of rejection is much less common than in bone-marrow donated by children or adults.

## Dig at Modi'in shut down to permit consultation with haredi protesters

AN archeological dig at Modi'in was halted yesterday after a confrontation with haredi demonstrators, during which 10 haredim were arrested for attempting to interfere with the dig. They were taken to the Lod police station, questioned and released.

The dig is being conducted by the Antiquities Authority to retrieve antiquities from the site, where the new city of Modi'in is planned. Christian graves from the Bronze and Roman

periods have been found there so far. Some 50 haredim, mostly from the nearby settlement of Kiryat Sefer, turned up at the site yesterday morning, and tried to reach the dig site. The dig has been going on for some time, but was due to be significantly expanded yesterday.

Police prevented the haredim from interfering with the dig, arresting the 10 in the process. Sephardi Chief Rabbi Eliahu Bakshi-Doron also

turned up at the site and intervened to prevent a clash between the haredim, archeologists and police.

Following a meeting with Bakshi-Doron, an agreement was reached with Housing Minister Binjamin Ben-Eliezer, Police Minister Moshe Shabai and Education Minister Arnon Rubinstein, to close the dig down for a week to permit consultations between the haredim and archeologists.

## Gambia calm after bloodless coup

DAKAR (AP) — Gambians went to the market and tourists phoned home yesterday for the first time since a bloodless coup sent the tiny country's president into hiding aboard a US warship.

Residents of Gambia's capital, Banjul, reported in telephone interviews to Dakar, Senegal, that all was calm two days after mutinous soldiers toppled President Sir Dawda Jawara.

Jawara took refuge on the USS La Moure County, a tank-landing ship making a port call. He was reportedly trying to establish contact with the new authorities.

Some 1,500 British tourists were able to telephone home as international service was restored. But they could not leave — Banjul's airport and Gambia's borders remained closed.

A British diplomat in Banjul re-

ported that there had been "no violence at all" in the coup, reportedly carried out by soldiers angry at not being paid for peacekeeping service in Liberia.

British tour operator Stephen Wilde said: "There is no panic and the only people who are concerned are people whose holidays were due to end today. 'We're hoping to bring them out Tuesday.'"

State-run Radio Gambia was silent after broadcasting a communique proclaiming a military government.

Four lieutenants — identified as Yahah Jammeh, Sadihu Hydar, F.D. Sabaly and I. Signat — established a Provisional Council of the Armed Forces to run the country, the communique said.

They suspended the constitution and political parties and declared a

curfew, but called their leadership as a "transition" that would fight corruption and lead to democracy.

They pledged to maintain good relations with nearby states, especially Senegal, which completely surrounds Gambia and intervened in 1981 to put down a coup against Jawara that killed 500 people.

Senegal put its military on alert yesterday and moved some troops to the border.

Senegalese Ambassador to Gambia Moktar Kebe described the alert as "normal" and said he told Jammeh that Dakar "has no intention of interfering in Gambian affairs and will respect the decision of the Gambian people."

Relations between Jawara and Senegal cooled in 1989 after a short-lived confederation, Senegambia, broke up

due to Gambians' concern that economic union would dry up their largest source of income, black-market trade with Senegal.

Jawara, 70, became Gambia's first prime minister when the country achieved independence from Britain in 1965 and was elected president in 1970.

The 800-strong Gambian army — a tenth the size of the Senegalese military — is led by a Nigerian colonel under a 1992 agreement between the two former British colonies. Both have contributed to the West African peacekeeping force in Liberia.

A largely Islamic nation on the west coast of Africa, Gambia is a narrow strip of land on each side of the river Gambia, never more than 10 km wide. Its estimated population is less than 900,000.

## Gaddafi reportedly survives coup attempt

DOUGLAS DAVIS  
LONDON

Already, the Swedish company Ericsson is developing Libya's telecommunications systems, South Korea's Dong Ah is the main contractor for the \$20 billion "Great Man-Made River Project" and Switzerland's Asea Brown Boveri recently signed a contract to build four power stations.

Libya is understood to be exporting 1.3 million barrels of oil a day, three-quarters of which is being bought by Italy, Germany and Spain.

Hotels in Tripoli are reported to be filled with foreign businessmen seeking state contracts for projects ranging from irrigation to construction.

While Gaddafi is facing growing pressure to hand over the two men, it is considered politically difficult because one of the men belongs to the Meqrha tribe of Abdel Salam Jaloud, who is second-in-command and a principal rival to Gaddafi.

Western politicians are divided over how far to push Gaddafi as they believe that if he is toppled the alternative could be far worse — either an oil-rich Islamic fundamentalist regime or "rampant tribal warfare."

ment in the December 1988 bombing of a Pan Am airliner over the Scottish town of Lockerbie.

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## 314 cease-fire violations in Sarajevo

SARAJEVO (AP) — UN officials reported yesterday an upsurge in breaches of a shaky truce around Sarajevo and more shelling and casualties on battlefronts in the north and northeast.

UN officials counted 314 cease-fire violations in Sarajevo in the last 24 hours, twice the usual number. Cmdr. Eric Chaperon, a UN spokesman, said the violations had increased markedly during the last two weeks.

Bosnian Serbs last week refused to accept a peace plan drafted by the United States, Britain, France, Germany and Russia that would have forced them to give up much of the territory they have conquered in the 27-month-old war.

Bosnia's Muslim-led government,

which approved the plan, has called on the five nations to carry out reprisals threatened if the Serbs did not agree.

Two allies of the Bosnian Serbs, Serbia and Russia, continued to pressure them to accept the deal.

Mirjana Markovic, wife of influential Serbian President Slobodan Milosevic and leader of Serbia's Communists, said Saturday the peace plan was "the only sign of hope and way out for the Serbs in Bosnia and for all other nations that are at war in this region," the Belgrade-based Tanjug news agency reported.

Milosevic wants the plan to go through so that international sanctions against the rump Yugoslavia will be lifted.

Vitaly Churkin, Russian President Boris Yeltsin's special envoy, told the Interfax news agency: "We're not wasting time and continue working with them (Serbs) so that their final answer would be more sensible and definite."

Fighting was reported over the weekend in several parts of Sarajevo, which had been relatively quiet since a February cease-fire and a NATO ultimatum banning heavy weapons around the capital.

One Bosnian soldier was killed by a sniper on Saturday, and sniper fire continued all day at the airport, said Maj. Dacre Holloway, a UN spokesman. Groundfire hitting planes last week prompted a halt to the UN airlift.

The Bosnian Serb Sma news agency reported yesterday that one fireman was killed and three apartments burned down in an attack by government forces on Grbavica, a Serb-held Sarajevo neighborhood.

Bosnia's government army claims that Serbs are massing troops around Sarajevo in preparation for an all-out attack on the city. Serbs want divided control of the peace plan. Chaperon said he couldn't confirm any troop concentrations.

In the northeastern town Tuzla, UN military observer recorded 204 detonations yesterday.

One person was killed and one wounded in shelling around central Bugojno, some 80 km west of Sarajevo.

## Inquiry committee investigating gang rape of haredi teenager at Abu Kabir lock-up

RAINE MARCUS

TEL AVIV police have not yet published findings of an inquiry committee investigating last week's gang rape of a 16-year-old youth in the Abu Kabir lock-up.

The committee is trying to determine if police guards operated according to regulations. Findings are expected to be published within the next few days.

The haredi youth was remanded for a night in the lock-up after he was arrested on suspicion of burglary. But a night in the cell turned into a nightmare for him when four other youths incarcerated with him extinguished cigarettes on him, bound, gagged and

then raped him. The youth was then released after he gave a statement to police.

The four youths suspected of attacking him were remanded Friday. One denied taking part in the rape. The youth wing at Abu Kabir is separate from the adults wing and guards there are supposed to look in to cells periodically.

Conditions at the lock-up have come under fire from lawyers, inmates and politicians. Abu Kabir always suffers from overcrowding and many inmates are forced to sleep on

the floor because of lack of bed space. Many inmates who have been sentenced or are awaiting trial are waiting to be admitted to prison service jails, which are also overcrowded.

Recently the Association for Civil Rights in Israel together with Tel Aviv District police posted a list of inmates rights on the walls of Abu Kabir.

In the past year, two inmates committed suicide there and four men escaped by stealing a guard's pistol and then sneaking through the front gate. Since then police said they have stepped up security at the lock-up.

## Industrial unrest worries Mandela

JOHANNESBURG (Reuters) — President Nelson Mandela said he was worried industrial unrest could scare investors away from South Africa, where pay strikes looked set yesterday to spread nationwide.

Mandela, who came to power in May heading the first black-led government in South Africa's history, accused some union leaders of finding it difficult to move away from resistance politics to nation building.

"Workers of a particular faction have their own interests. They forget we have five million people unemployed. We want them to have jobs, not tomorrow, today," Mandela said in a speech.

Labour analysts said despite his concern, industrial unrest would spread to the country's largest mining and metal industries before subsiding.

"The country is in for three or four months of tough labour battles after which things will calm down," said labour magazine Imes Labour Brief.

Unionists and labour analysts said there had already been more strikes in South Africa this year than in any since 1987 and they were spreading rapidly.

Strikes are also looming in the brewing industry but the greatest threat to the economy is from mining and steel unions.

"Once the strikes spread to the mining and steel industries, the economy will be in for a hard time," one analyst said.

Mandela said in the speech to anti-apartheid veterans at his official residence in Pretoria that the current cycle of strikes could frighten away investors and slow his government's reconstruction and development programme.

"In order for them to have jobs, the reconstruction and development programme must be launched in earnest. We need investment urgently. If there is violence in this country it is going to frighten investors away," Mandela said in the speech.

## Rose Kennedy is 104

HYANNIS PORT, Mass. (AP) — Surrounded by family, flowers and photographers, Rose Kennedy marked her 104th birthday with a quiet gathering in her white clapboard house by the sea.

Mrs. Kennedy's birthday was Friday, but the family waited until the weekend to gather. Among those attending were dozens of children, grandchildren and great-grandchildren, including her only surviving son, Edward Kennedy, a Democratic Senator from Mass.

The mother of a president and two US senators, Mrs. Kennedy has used a wheelchair to get around since suffering a stroke in 1984.

Party plans called for a cake decorated with roses.

### NEWS IN BRIEF

#### Bezek's sea-rescue station gets reprieve

Bezek's sea-to-shore rescue and telecommunications center on the Haifa coast — which was due to be closed yesterday — won a reprieve, at least for now, from Transport Minister Yisrael Kessar. Bezek officials agreed to keep it open at least until August 2. Kessar promised that within two weeks, financial support would be found to keep the station open permanently.

Bezek said it could no longer bear the costs of the station, which has served ships and boats for decades.

#### Bill to limit classes to 30 kids submitted

A bill to limit the number of pupils in elementary school classes to 30, rather than the current 40, was proposed by Labor MKs Eli Dayan and Shlomo Bibun yesterday.

According to the two MKs, 52 percent of the nation's elementary school classes have more than 30 children, and 3.6 percent have more than 40, the current legal limit.

Dayan, the coalition chairman, told a press conference that since this government had promised to put education at the top of its priorities, "the prime minister, education minister and the treasury should adopt this bill, which would be a real reform that could change the level of education in Israel."

The bill, they said, would carry an initial cost of NIS 1.8 billion to build over 3,600 additional classrooms, and an annual cost of NIS 350 million, mainly to pay additional teachers.

#### Police: Saturday stabbing was criminal

Two Arab youths remained in police custody yesterday in connection with the stabbing of an American tourist in the Old City on Saturday night. The police spokesman said the attack was apparently criminally motivated.

The tourist, 30-year-old Katrina Hockless, was released yesterday from Hadassah-University Hospital, Ein Kerem. A hospital spokesman said she was slightly wounded and was never in more serious condition as had been reported.

She was stabbed in the back just before midnight in the Butchers Market of the Christian Quarter, where she was walking alone.

#### Yossi Banai stable after heart attack

Actor Yossi Banai, who suffered a heart attack Saturday evening, is resting comfortably in the cardiac intensive care unit and his condition is stable, said Sheba Medical Center duty medical officer Dr. Ya'acov Yahav yesterday.

"We aren't sure yet what precisely caused the heart attack and we'll do some more tests over the next few days," Yahav said.

Banai was stricken at the Ramat Gan Theater just before the start of his show, *Suramella's Return*. He didn't feel well, asked that the show be delayed several minutes and then suddenly collapsed. He received immediate first aid from a doctor and a male nurse in the audience who took care of him until the ambulance arrived.



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# ISRAEL LANDS ADMINISTRATION

ISRAEL LANDS ADMINISTRATION INDUSTRIAL BUILDINGS LTD. RISHON LEZION MUNICIPALITY

Lease offered on plot for residential construction (2,670 housing units), Holot Hat, Rishon Lezion - Invitation to Tender 225/94/Mem

Correction Notice

Urban Building Plan 581/Bet Mem/Resh Tzade

- Bids are invited from those interested in signing a 24 month development agreement, after which the party concerned will sign a 49 year lease with an option to extend for another 49 years, for a plot, the details of which are given below.
- The following are eligible to bid:
1. A company or person, registered in the Contractors Register under Building, Main Branch (100), in accordance with the Law for the Registering of Contractors for Civil Engineering Construction Work 1988.
  2. A company or person, not registered in the Contractors Register, who acts as an entrepreneur for the sale and leasing of buildings, constructed by contractors who are registered in the Contractors Register.
  3. A contractor whose "calculated average number of housing units" is more than 100, and who is registered in the Contractors Register in the 100 Branch, Section 5 Gimmel, or an entrepreneur whose "calculated average number of housing units" exceeds 100.
- For lot G/Alel ONLY, bids may be submitted also by a contractor whose "calculated average number of housing units" is less than 100, if he is registered under Branch 100, Section 4 Gimmel, or an entrepreneur whose "calculated average number of housing units" is less than 100.
- The "calculated average number of housing units" will be calculated by reference to the total number of housing units and other construction areas, the building of which was completed after June 1, 1991.
3. A contractor/entrepreneur will provide confirmation of his construction work, completed after June 1, 1991, by providing, inter alia:
- A Form 4, registered on the bidder's name.
  - A building agreement, contracted between the bidder and another party, demonstrating that the building work was carried out by him; a building permit and Form 4 on the name of the other party should be attached.
  - A building agreement, contracted between the bidder and the Ministry of Construction and Housing.

Lot	Plot	Approx. Area, sq.m.	No. of Housing Units on Lot	Max. Area for Registration	Minimum Price NIS†	Development Costs* NIS
A1/Alel	245/1	8,389	120	13,200	4,798,005	912,630
A1/Bet	245/1	8,389	120	13,200	4,798,005	912,630
A2/Alel	245/1	8,389	120	13,200	4,798,005	912,630
A2/Bet	245/1	8,389	120	13,200	4,798,005	912,630
A3/Alel	245/1	8,389	120	13,200	4,798,005	912,630
A3/Bet	245/1	8,389	120	13,200	4,798,005	912,630
A4/Alel	245/1	8,389	120	13,200	4,798,005	912,630
A4/Bet	245/1	8,389	120	13,200	4,798,005	912,630
C	250/1	12,707	180	17,600	6,397,340	1,216,840
C1	Up to 186	25,416	180	17,600	6,397,340	1,216,840
C2	251/1	25,416	180	17,600	6,397,340	1,216,840
C3	252/1	25,416	180	17,600	6,397,340	1,216,840
D	253/1	25,416	180	17,600	6,397,340	1,216,840
D1	254/1	25,416	180	17,600	6,397,340	1,216,840
D2	255/1	25,416	180	17,600	6,397,340	1,216,840
D3	256/1	25,416	180	17,600	6,397,340	1,216,840
F2	148/1	12,707	180	17,600	6,397,340	1,216,840
G/Alel	245/1	8,389	120	13,200	4,798,005	912,630
G/Bet	245/1	8,389	120	13,200	4,798,005	912,630
H	361	10,065	108	11,880	4,318,205	821,367

\* In addition to the amount paid for the land, the successful bidder will pay:

- a. The development costs to Industrial Buildings Ltd.; these are linked to the building index for May 1994, published on June 15, 1994.
- b. The total infrastructure costs to Rishon Lezion Municipality; these are linked to the combined road surfacing and building index for May 1994, published on June 15, 1994. A receipt for this amount will be provided by the Municipality, but not in the form of a receipt recognized for tax purposes.
- c. And, in addition, the Municipality will charge NIS11.18 for every square meter of construction (as recorded in the building permit), this figure being linked to the combined road surfacing and building index for May 1994, published on June 15, 1994.

NOTES: 1. Inspection of anything stated above, the building rights, including the building percentage, the area of construction, and building density, and all instructions which must be complied with, in order to obtain a building permit, are as indicated in the urban building plan.

2. The measured area - the area of the plots given above - was obtained by analytical measurement.
3. The amount offered by the bidder will be regarded as capitalized ground rent for the land, at a rate of 91%. This payment will be regarded as capitalized ground rent for 49 years.
4. Bidders may bid for up to TEN lots. No bidder will be awarded a contract for more than one lot.
5. A bank guarantee and/or bank check for 10% of the bid total must be attached to the bid.
6. Any stipulation of the land lease in whatever form, whether in the bid or in the urban building plan, will involve an interest payment to the Administration.

† Not including VAT.

The Israel Lands Administration reserves the right to accept any bid or to reject all bids, including the highest.

The tender booklet will be available from July 28, 1994, on submission of a receipt from the Postal Bank for NIS500 (cash only, including VAT), for a payment into Israel Lands Administration account 0-24180-0, per booklet. The booklets will be available at the Israel Lands Administration, Central Region, 88 Derech Petah Tikva, Tel Aviv, ☎ 03-5638287, during regular working hours.

Last date for submitting bids: August 24, 1994 (12 noon). A bid not found in the tenders box when it is opened, whatever the reason, cannot be considered.

This announcement is for general information only, and does not obligate the Israel Lands Administration or the Min. of Construction and Housing in any way, neither in respect of the content of the notice, nor in regard to the dates mentioned. These bodies are bound only by the terms of the tender booklets and the additions thereto.

ISRAEL LANDS ADMINISTRATION ARIM MUNICIPAL DEVELOPMENT CO. LTD.  
Build Your Own Home: Vered Ha'amakim - Yokneam (14 housing units) (Remaining Plots)

Fourteen plots for the construction of 14 one-family housing units remain from the above scheme. The plots will be allocated with updated land and development costs, all other conditions are as given in the prospectus, subject to the terms of this notice.

Registration will commence on Tuesday, Aug. 9, 1994, at 8 a.m. and close at 11 a.m. A draw will be held among those who have registered at 11:30 a.m., at the offices of Arim at the address below.

Any plots remaining after this registration will be allocated on a first come, first served basis, at the Arim office, 16/100 Rehov Atzmon, Upper Nazareth, Tel. (06) 5713132, where reception hours are 8:30 a.m.-12 noon, Sun.-Thur.

When registering, you will be required to deposit a bank check for NIS3,000, made out to the Israel Lands Administration, which will be considered an advance payment on the cost of the land.

This announcement is valid until all the plots are sold but not after December 8, 1994.

ISRAEL LANDS ADMINISTRATION AZATA REGIONAL COUNCIL  
Min. of Construction and Housing  
Admin. for Rural Construction - Ma'agalim, D.N. Hanegev  
Build Your House Program - Ma'agalim (4 Housing Units) - (Remaining Plots)

Of the plots offered under the above Build Your House Program, published in June 1988, 4 remain - for the construction of 4 single-family houses.

These plots are offered with updated values for the land and development, all other details being as originally published, subject to the terms of this present notice.

An acceptance committee will sit on July 26, 9 a.m.-1 p.m., and on July 27, 4-8 p.m., at the offices of Azata Regional Council. Registration of those accepted by the committee will be between 9 and 10 a.m. on August 8, 1994. At 10 a.m. the same day, a draw will be held among those who register.

Registration will be held at the Administration's southern office, Rehov Ben Zvi (over Urmel Yehalom), Beersheva, Tel. 07-232202.

When registering, you must deposit a bank check for NIS500, made out to the Israel Lands Administration, which will be regarded as a deposit on the cost of the land.

Any plots remaining after this registration will be allocated at the above office.

This notice remains in force until all plots are allocated, but not after Nov. 27, 1994.

Urban Building Plan	Block	Part of Parcel	Plot	Approx. Plot Area, sq.m.	Total Building Area, sq.m.	Total No. of Housing Units	Development Costs* NIS†
580/Bet Mem/ Gimmel Zayin	4124	79-82	801	2001	1280	8	484,790

\* The urban building plan shows that the site is in a Residential Bet (terrace houses) area, and that the permitted construction is 8 two floor, terrace cottage apartments, with a maximum area of 160 sq.m. per unit + a basement within the building lines of the structure at ground level, and including 45 sq.m. auxiliary construction, including parking.

\*\* In addition to the bid total for the land, the successful bidder will pay Industrial Building Ltd. the above development costs, which are linked to the index of building inputs for June 1994. Payment will be on the basis of the last known index figure.

† Not including VAT.

The Israel Lands Administration reserves the right to accept any bid, or to reject all bids, including the highest.

The tender booklet will be available from July 28, 1994, on submission of a receipt from the Postal Bank for NIS100 (cash only, including VAT), for a payment into Israel Lands Administration account 0-24180-0, per booklet. The booklets will be available at the Israel Lands Administration, Central Region, 88 Derech Petah Tikva, Tel Aviv, ☎ 03-5638287, during regular working hours.

A bank check or bank guarantee of 10% of the bid total should be attached to bids as deposit.

Last date for submitting bids: October 5, 1994 (12 noon). A bid not found in the tenders box when it is opened, whatever the reason, cannot be considered.

ISRAEL LANDS ADMINISTRATION AZATA REGIONAL COUNCIL  
Min. of Construction and Housing  
Ma'agalim, D.N. Hanegev - Admin. for Rural Construction  
Build Your House Program - Ma'agalim (4 Housing Units) (Remaining Plots)

Of the plots offered under the above Build Your House Program, published in June 1988, 4 remain - for the construction of 4 single-family houses.

These plots are offered with updated values for the land and development, all other details being as originally published, subject to the terms of this present notice.

An acceptance committee will sit on July 26, 9 a.m.-1 p.m., and on July 27, 4-8 p.m., at the offices of Azata Regional Council. Registration of those accepted by the committee will be between 9 and 10 a.m. on August 8, 1994. At 10 a.m. the same day, a draw will be held among those who register.

Registration will be held at the Administration's southern office, Rehov Ben Zvi (over Urmel Yehalom), Beersheva, Tel. 07-232202.

When registering, you must deposit a bank check for NIS500, made out to the Israel Lands Administration, which will be regarded as a deposit on the cost of the land.

Any plots remaining after this registration will be allocated at the above office.

This notice remains in force until all plots are allocated, but not after Nov. 27, 1994.

Urban Building Plan	Block	Part of Parcel	Plot	Approx. Plot Area, sq.m.	Total Building Area, sq.m.	Total No. of Housing Units	Development Costs* NIS†
580/Bet Mem/ Gimmel Zayin	4124	79-82	801	2001	1280	8	484,790

\* The urban building plan shows that the site is in a Residential Bet (terrace houses) area, and that the permitted construction is 8 two floor, terrace cottage apartments, with a maximum area of 160 sq.m. per unit + a basement within the building lines of the structure at ground level, and including 45 sq.m. auxiliary construction, including parking.

\*\* In addition to the bid total for the land, the successful bidder will pay Industrial Building Ltd. the above development costs, which are linked to the index of building inputs for June 1994. Payment will be on the basis of the last known index figure.

† Not including VAT.

The Israel Lands Administration reserves the right to accept any bid, or to reject all bids, including the highest.

The tender booklet will be available from July 28, 1994, on submission of a receipt from the Postal Bank for NIS100 (cash only, including VAT), for a payment into Israel Lands Administration account 0-24180-0, per booklet. The booklets will be available at the Israel Lands Administration, Central Region, 88 Derech Petah Tikva, Tel Aviv, ☎ 03-5638287, during regular working hours.

A bank check or bank guarantee of 10% of the bid total should be attached to bids as deposit.

Last date for submitting bids: October 5, 1994 (12 noon). A bid not found in the tenders box when it is opened, whatever the reason, cannot be considered.

ISRAEL LANDS ADMINISTRATION RISHON LEZION MUNICIPALITY  
Build Your Home Scheme, East Rishon Lezion (23 housing units)

In cooperation with the Lot and Ranks Development Corp. and Rishon Lezion Municipality, the Israel Lands Administration announces the above scheme, under which plots will be allocated for the construction of 23 semi-detached housing units.

Plots for three housing units are intended for the disabled, who do not own, and who have not been allocated a plot anywhere in Israel. The following criteria apply: Ex-IDF disabled persons with over 50% permanent disability; this disability must be attested by documentation, with validity of one year, issued by the Rehabilitation Branch of the Min. of Defense. Disabled persons not disabled during service in the IDF, who suffer permanent disability of 75% in the lower limbs, as attested by valid documentation issued by the National Insurance Institute or the Min. of Health.

Of the plots for the disabled, first priority will be given to IDF disabled with 100% or more disability. Priority will be given to the disabled, in choice of plot.

Registration will be held at the offices of Lot and Ranks Development Corp., Canon Ltd Center, 1 St. Hertzog, Lod, Tel. 08-242446. Registration will open today, Monday, July 25, at 9 a.m. and continue Sunday to Thursday, 9 a.m.-6 p.m., Friday, 9 a.m.-12 noon, until Wednesday, August 17, 1994, at 12 noon.

A NIS3,000 bank guarantee or bank guarantee, made out to the Israel Lands Administration, must be deposited on registering, to ensure payment of the cost of the land.

Registration and an information sheet are free. The sheet is no available at the above address.

ISRAEL LANDS ADMINISTRATION - Central Region  
Lease offered on 7 plots for construction of buildings for industry and workshops, Hod Hasharon Industrial Zone

Tender	Block	Part of Parcel	Plot	Approx. Area, sq.m.	Total Area for Registration, sq.m.	Min. Price, NIS*
203/94/Mem	6857	36, 71	1201	1,420	1,704	794,558
204/94/Mem	6857	71	1202	1,080	948	562,656
205/94/Mem	6857	32, 71	1203	2,340	1,782	1,257,613
206/94/Mem	6857	32, 71	1204	910	728	562,790
207/94/Mem	6857	71	1205	900	720	487,235
208/94/Mem	6857	36, 71	1206	980	788	536,468
209/94/Mem	6857	36	1207	1,500	1,300	825,729

\* Urban Building Plan Bet3463/Hai Resh shows that a building for industry and workshops may be built on each plot, total building perimeter of 40 on 2 floors, total of 80%; all in accordance with the urban building plan.

\*\* Bids should be for the land only. In addition, the successful bidder will be required to pay the development costs, in the form of fees and dues, in accordance with the Municipality's bylaws. These development costs will be paid to Hod Hasharon Municipality.

† Not including VAT.

The Israel Lands Administration reserves the right to accept any bid, or to reject all bids, including the highest.

The tender booklet will be available from July 31, 1994, on submission of a receipt from the Postal Bank for NIS100 (cash only, including VAT), for a payment into Israel Lands Administration account 0-24180-0, per booklet. The booklets will be available at the Israel Lands Administration, Central Region, 88 Derech Petah Tikva, Tel Aviv, ☎ 03-5638283, during regular working hours.

A bank check or bank guarantee of 10% of the bid total should be attached to bids as deposit.

Last date for submitting bids: October 12, 1994 (12 noon). A bid not found in the tenders box when it is opened, whatever the reason, cannot be considered.

ISRAEL LANDS ADMINISTRATION Haifa Municipality  
Invitation to submit proposals to lease two plots for building 120 housing units in Saint Lucas, Haifa - Tender no. 228/94/Het

The Israel Lands Authority and the Ministry of Construction and Housing hereby invite proposals for signing a two year development contract which will be followed by a leasing contract for a 49 year period with the option of extending the lease by a further 49 years, as detailed below:

Urban Building Plan	Block	Part of Parcel	Plot	Total area of plots for allocation, sq.m. (approx.)	Construction area in sq.m.
Het Pe/1988	10780	33	2002	8,572	8,880

\* According to Urban Building Plan Het Pe/1988, here are the details of the property:

Plot no. 2001, on construction area of 5,600 sq.m. - 13 storeys above pillar floor and foundation level which will serve for parking.

Plot no. 2002, on construction area of 4,000 sq.m. - 10 storeys above pillar floor and foundation level which will serve for parking.

Total construction area - 9,600 sq.m.

Transfer of building rights will be permitted between plots 2001 and 2002 at 10% of the gross permitted building area and on condition that there will be no storeys added to that permitted according to this plan.

\*\* In addition to the amount paid for the land, the successful bidder will pay:

- a. fees and levies to the local authority according to the Haifa bylaws.
- b. for developing the sh.m. roads, p.e.alel, bet, gimmel and the path according to the Municipality's requirements as detailed in the tender documentation.

The Israel Lands Administration reserves the right to accept any bid, or to reject all bids, including the highest.

The tender booklet will be available from July 31, 1994, against payment of NIS100 cash (including VAT), payable to account no. 0-24180-0 in the Postal Bank made out to the Israel Lands Administration, at the Israel Lands Administration, Haifa Region, 13 Derech Ha'atzmaut, Haifa, ☎ (04) 355411, during regular working hours.

Each proposal should be accompanied by a bank guarantee deposit or banker's check for 10% of the bid. Last date for submitting bids: October 5, 1994 (12 noon). A bid not found in the tenders box when it is opened, whatever the reason, cannot be considered.

ISRAEL LANDS ADMINISTRATION Jerusalem District  
Ministry of Construction and Housing  
Jerusalem District  
Invitation to receive bids for leasing two lots for the construction of 94 housing units in Kiryat Gat - Tender no. Yod Mem/230/94

The Israel Lands Authority and the Ministry of Construction and Housing hereby invite proposals for signing a 22 month development contract and a construction and completion of development contract which will be followed by a leasing contract for a 49 year period with the option of extending the lease by a further 49 years.

The following are eligible to bid:

1. A company or person, registered in the Contractors Register under Building, Main Branch (100), in accordance with the Law for the Registering of Contractors for Civil Engineering Construction Work 1988.
2. A company or person, not registered in the Contractors Register, who acts as an entrepreneur for the sale and leasing of buildings, constructed by contractors who are registered in the Contractors Register.
3. A contractor whose "calculated average number of housing units" is more than 75, and who is registered in the Contractors Register in the 100 Branch, Section 4 Gimmel, or an entrepreneur whose "calculated average number of housing units" exceeds 75.

The "calculated average number of housing units" will be calculated by reference to the total number of housing units and other construction areas, the building of which was completed after June 1, 1991.

3. A contractor/entrepreneur will provide confirmation of his construction work, completed after June 1, 1991, by providing, inter alia:

- A Form 4, registered on the bidder's name.
- A building agreement, contracted between the bidder and another party, demonstrating that the building work was carried out by him; a building permit and Form 4 on the name of the other party should be attached.
- A building agreement, contracted between the bidder and the Ministry of Construction and Housing.

3. A contractor/entrepreneur will provide confirmation of his construction work, completed after June 1, 1991, by providing, inter alia:

- A Form 4, registered on the bidder's name.
- A building agreement, contracted between the bidder and another party, demonstrating that the building work was carried out by him; a building permit and Form 4 on the name of the other party should be attached.
- A building agreement, contracted between the bidder and the Ministry of Construction and Housing.

Lot no.	Part of parcel no.	Block no.	Plot no.	Plot area in sq.m.	Maximum construction area in sq.m.	Maximum no. of units per plot*	Development costs in NIS*
1	34	157	208,204	3,291	5,200	33	1,082,388
2	37,34	157	213,312	3,033	4,800	32	888,076

\* According to Urban Building Plan 581/Bet Mem/Resh Tzade, 52 housing units may be built on plots nos. 204 and 208 in 3 + 1 storeys on a total licensed area of 5,200 sq.m., all subject to the requirements of the Urban Building Plan. According to Urban Building Plan 581/Bet Mem/Resh Tzade, 42 housing units may be built on plots nos. 312 and 313 in 5 storeys on a total licensed area of 4,800 sq.m., all subject to the requirements of the Urban Building Plan.

\*\* In addition to the amount paid for the land, the successful bidder will pay the above development costs to the Ministry of Construction and Housing for the overall development executed or to be executed by the Ministry.

These costs are linked to the index of building inputs for May 1994 (120.9 points). They will be paid together with the linkage difference between the basic index and the last index known on the day of actual payment.

The successful bidder will not add VAT to the development costs and will therefore not receive a tax invoice from the Ministry and will not be entitled to claim this sum from the VAT authorities.

In addition to the development costs, the successful bidder will be required to pay levies and development fees to the local authority according to municipal bylaws as detailed in the tender documentation.

The Israel Lands Administration reserves the right to accept any bid, or to reject all bids, including the highest.

Each bidder is entitled to submit proposals for one or more lots, but will not be allowed more than one lot. The tender booklet will be available from August 2, 1994, against payment of NIS600 cash (including VAT), payable to account no. 0-24180-0 in the Postal Bank made out to the Israel Lands Administration, at the Israel Lands Administration, Jerusalem Region, 34 Ben Yehuda St. (12 floor) Jerusalem, Tel. 02-254121 during regular working hours.

Each proposal should be accompanied by a bank guarantee deposit or banker's check for 10% of the bid. Last date for submitting bids: October 5, 1994 (12 noon). A bid not found in the tenders box when it is opened, whatever the reason, cannot be considered.

The Israel Lands Administration reserves the right to accept any bid, or to reject all bids, including the highest.

ISRAEL LANDS ADMINISTRATION Ministry of Construction and Housing  
Haifa Region Haifa and Ashdod District

Correction Notice  
Invitation to submit proposals to lease lot no. 1 for building 89 housing units in Givat Ram, Kiryat Ata - Tender no. 216/94/Het

The Israel Lands Authority and the Ministry of Construction and Housing hereby invite proposals for signing a 22 month development contract and a construction and completion of development contract which will be followed by a leasing contract for a 49 year period with the option of extending the lease by a further 49 years.

- The following are eligible to bid:
1. A company or person, registered in the Contractors Register under Building, Main Branch (100), in accordance with the Law for the Registering of Contractors for Civil Engineering Construction Work 1988.
  2. A company or person, not registered in the Contractors Register, who acts as an entrepreneur for the sale and leasing of buildings, constructed by contractors who are registered in the Contractors Register.
  3. A contractor whose "calculated average number of housing units" is more than 100, and who is registered in the Contractors Register in the 100 Branch, Section 5 Gimmel, or an entrepreneur whose "calculated average number of housing units" exceeds 100.
- The "calculated average number of housing units" will be calculated by reference to the total number of housing units and other construction areas, the building of which was completed after June 1, 1991.
3. A contractor/entrepreneur will provide confirmation of his construction work, completed after June 1, 1991, by providing, inter alia:
- A Form 4, registered on the bidder's name.
  - A building agreement, contracted between the bidder and another party, demonstrating that the building work was carried out by him; a building permit and Form 4 on the name of the other party should be attached.
  - A building agreement, contracted between the bidder and the Ministry of Construction and Housing.

Lot no.	Plot no.	Plot area in sq.m.	Maximum construction area in sq.m.	Maximum no. of units per plot*	Development costs in NIS*
1	2002, 2022	16,889	10,236	89	5,000,000

\* The building rights are according to Urban Building Plan zayin bet 76 (bet mem).

\*\* In addition to the amount paid for the land, the successful bidder will pay the above development costs to the Ministry of Construction and Housing for the overall development executed or to be executed by the Ministry.

These costs are linked to the index of building inputs for February 1994 (118.6 points). They will be paid together with the linkage difference between the basic index and the last index known on the day of actual payment.

The successful bidder will not add VAT to the development costs and will therefore not receive a tax invoice from the Ministry and will not be entitled to claim this sum from the VAT authorities.

In addition to the development costs, the successful bidder will be required to pay levies and development fees to the local authority according to municipal bylaws as detailed in the tender documentation.

The Israel Lands Administration reserves the right to accept any bid, or to reject all bids, including the highest.

The tender booklet will be available from August 2, 1994, against payment of NIS500 cash (including VAT), payable to account no. 0-24180-0 in the Postal Bank made out to the Israel Lands Administration, at the Israel Lands Administration, Haifa Region, 13 Derech Ha'atzmaut, Haifa, ☎ (04) 355411, during regular working hours.

Each proposal should be accompanied by a bank guarantee deposit or banker's check for 10% of the bid. Last date for submitting bids: October 5, 1994 (12 noon). A bid not found in the tenders box when it is opened, whatever the reason, cannot be considered.

ISRAEL LANDS ADMINISTRATION Ministry of Construction and Housing  
Jerusalem District Jerusalem District

Correction Notice  
Invitation to receive bids for leasing lot no. 9 for constructing 42 housing units in Neve Dekalim in Ashdod - Tender no. Yod Mem/227/94

The Israel Lands Authority and the Ministry of Construction and Housing hereby invite proposals for signing a 22 month development contract and a construction and completion of development contract which will be followed by a leasing contract for a 49 year period with the option of extending the lease by a further 49 years.

- The following are eligible to bid:
1. A company or person, registered in the Contractors Register under Building, Main Branch (100), in accordance with the Law for the Registering of Contractors for Civil Engineering Construction Work 1988.
  2. A company or person, not registered in the Contractors Register, who acts as an entrepreneur for the sale and leasing of buildings, constructed by contractors who are registered in the Contractors Register.
  3. A contractor whose "calculated average number of housing units" is more than 50, and who is registered in the Contractors Register in the 50 Branch, Section 3 Gimmel, or an entrepreneur whose "calculated average number of housing units" exceeds 50.
- The "calculated average number of housing units" will be calculated by reference to the total number of housing units and other construction areas, the building of which was completed after June 1, 1991.
3. A contractor/entrepreneur will provide confirmation of his construction work, completed after June 1, 1991, by providing, inter alia:
- A Form 4, registered on the bidder's name.
  - A building agreement, contracted between the bidder and another party, demonstrating that the building work was carried out by him; a building permit and Form 4 on the name of the other party should be attached.
  - A building agreement, contracted between the bidder and the Ministry of Construction and Housing.

Lot no.	Plot no.	Part of parcel no.	Plot area in sqm. in sqm.*	Maximum construction area plot*	Maximum no. of units per in MS**	Development costs
9	38-3 42,41 18	3-4,1 18	9,888	7,288	42	2,540,000

\* According to Urban Building Plan 1/11/bet mem/42 housing units may be built on the lot on a total licensed area of 7,288 sq.m., of which 6,287 sq.m. constitutes the principal area and 999 sq.m. the service area, all subject to the requirements of the Urban Building Plan. Any additional usage, of any sort, beyond the capacity permitted by the contract and in the framework of the Urban Building Plan will require payment according to the Authority's regulations.

\*\* In addition to the amount paid for the land, the successful bidder will pay the above development costs to the Ministry of Construction and Housing for the overall development executed or to be executed by the Ministry.

These costs are linked to the index of building inputs for May 1994 (120.9 points). They will be paid together with the linkage difference between the basic index and the last index known on the day of actual payment.

The successful bidder will not add VAT to the development costs and will therefore not receive a tax invoice from the Ministry and will not be entitled to claim this sum from the VAT authorities.

In addition to the development costs, the successful bidder will be required to pay levies and development fees to the local authority according to municipal bylaws as detailed in the tender documentation.

In addition to the payments for the land and the overall development, the successful bidder will carry out his/her own expense all the work necessary to complete the development in the lot (in addition to the construction and immediate development).

The Israel Lands Administration reserves the right to accept any bid, or to reject all bids, including the highest.

The tender booklet will be available from August 2, 1994, against payment of NIS500 cash (including VAT), payable to account no. 0-24180-0 in the Postal Bank made out to the Israel Lands Administration, at the Israel Lands Administration, Jerusalem Region, 34 Ben Yehuda St. (12 floor) Jerusalem, Tel. 02-254121 during regular working hours.

Each proposal should be accompanied by a bank guarantee deposit or banker's check for 10% of the bid. Last date for submitting bids: October 5, 1994 (



# Back for Mastercourse, Shlomo doesn't Mintz words

## Unconventional teaching method finds target

HELEN KAYE

LIKE an estranged couple arranging a final get-together for old-times' sake, Shlomo Mintz and the Israel Chamber Orchestra are going ahead with a planned North American tour this fall.

The ICO's former music director abruptly left that post in the middle of last season and in the subsequent turmoil over a replacement — one was named, but rejected by the rank-and-file — the board of directors resigned.

"A chapter was closed with that orchestra, and this is the only tour scheduled for me to do with them," the 37-year-old violinist/conductor said last week. "I say this with anticipation and not bitterness. I think we have done fine work together."

As for his decision to leave the helm of the ICO — which has a history of revolving-door conductors — Mintz said simply: "I did the right thing."

He is back in the country to teach one of the masterclasses at the Mastercourse — Keshet Eilon at Kibbutz Eilon.

He will also give a benefit concert for Keshet Eilon this Saturday (8:30) at the Noga Theater in Jaffa, playing the 24 Caprices by Paganini.

Mintz believes he will be the first person in Israel to perform the Caprices in their entirety, live.

He recorded several of them for television about 15 years ago and for the Deutsche Grammophon label about a decade ago.

Then he took a break.

"For a few years I never touched them," Mintz said. "Paganini had a composition teacher with an operatic background and all his works are your typical middle 19th century romantic music with all the familiar ingredients," he said, explaining his weariness

with the pieces. To renew his enthusiasm, Mintz has chosen not to approach the Caprices as 24 individual showpieces, suitable for encores, as they are so often performed.

"If you look closer, each one of them is a unique piece of composition. I take them as an entity and make the audience listen to 12 being played together before they clap. Each will have a thread and will be connected to the next one."

Mintz was responsible for another breakthrough recently, when he performed the Caprices in a church in Italy.

"Paganini was rejected by the church so many times... I think that was the first time ever that these Caprices were performed within a church. It felt very special."

The pieces are extremely difficult to perform both physically and mentally, says Mintz.

"Beside the technical obstacle, you have to be challenged musically as well.... You do not just go on stage and perform them, you have to spend at least an entire month with them alone before you are ready."

In addition to his tour with the ICO this fall, Mintz will start working as principal conductor with the European Symphony Orchestra in Maastricht. "It has a great future ahead of it and I'm very excited."

He promised to return — and not just as a performer. "I'm more interested in sharing and being part of raising a new generation of musicians and musical youth in Israel through Keshet Eilon and other projects which are too early to talk about," he said.

"I will always be an Israeli and will always return here. This is my home."

KESHET Eilon is hitting a musical bull's eye. In 1990, teaching archery to violin students seemed the wildest idea, but it worked. It seemed to improve their concentration and their playing; and violinists learned how to use that different kind of bows a whole lot faster than any other beginners.

This week, at Kibbutz Eilon in the Western Galilee, 37 young violinists from here and abroad started the fifth Mastercourse — three weeks of music school that will include daily archery practice among the more usual round of classes and rehearsals.

After five years, Keshet Eilon administrator Gilad Sheba is quietly satisfied with the program, which this year got its accreditation from the Public Arts Council of the Ministry for Science and the Arts. It also got some new corporate sponsors: Mifalei Discount and the Rothschild Foundation as well as Parliament Arts, which is sponsoring violinist Shlomo Mintz's gala benefit concert at the Noga Theater on July 30 and Mastercourse's final concert at the Haifa Theater on August 10.

All those connected with the program volunteer their services, including Mintz, "who's even paying for the car he's hiring," Sheba says.

"We have achieved local and international recognition," he continues, "and every year the caliber of both teachers and students is getting higher and higher. This year we had 84 applicants, double those we got in 1990."

The teachers include violinists Erez Ofer, currently concertmaster with the Munich Symphony, Murit Rajamaki from Finland, and Mastercourse music director Yitzhak Rashkovsky, professor of violin at London's Royal College of Music, who has been with the program from its inception in 1989.

International archery expert Mick Deacon will be instructing the young archery tyros, to the delight of violin maker and archer Amnon Weinstein, who originally came up with the idea of combining archery and the violin.

"It works in practice," he exults. "The violinists say they play better and can concentrate more. Now all we have to do is prove it scientifically."

## Puppets, for adults only

HELEN KAYE

THE indefatigable organizers of the International Puppet Festival, scheduled for August 8-17, are determined to entice adults to what is regarded locally as kids' stuff.

While most of the 25 productions in this year's colorful and varied festival in Jerusalem are for both the younger set and the family, three are for adults only.

These are the erotic *Don Juan* by Moscow's famed Obraztsov State Puppet Theater; the surrealist *Night Visions*, based on the life of the artist Max Jacob, by a German puppet theater; and *The Village Child*, a Jewish ghost story presented by master US puppeteer Eric Bass.

"In Europe, adults regularly go to puppet theater, but here it's catching on very slowly," grumbles festival director Mario Kottliar.

The three adult shows are among 11 foreign productions in the festival. These include the first visit of a puppet theater from China and a puppet version of Mozart's opera *The Magic Flute*.

Founded by China's Ministry of Culture in 1955, the China Puppet Troupe will perform here as a consequence of the recent Israel-China cultural exchange agreement.

It will perform Chinese folk tales in a program called *The Grand Imperial Puppet Show*.

Germany's Windsbach Puppet Theater is behind *The Magic Flute*, which will be sung live. Puppeteers and some of the singers are former members of the Windsbach Boys' Choir.

These two productions and an *Aladdin* for all the family from the Obraztsov will play at the Sherover Theater, each with a Hebrew translation.

Staging productions at the Sherover and the Rebecca Crown Auditorium — larger halls than the others — is a first for the festival. Other performance venues are the Train Theater and the amphitheater at the Liberty Bell Garden.

Shows for the whole family include *Stanell's Super Circus* with marionettes from the UK, and *Chinese Tales* performed by master puppeteer Yang Feng, also from China.

This year, the budget is some NIS 700,000, NIS 200,000 more than in 1993, with proceeds from the 25,000 tickets available expected to account for 30 percent of it. Prices range from NIS 13 to NIS 32, and as usual there are plenty of free shows and activities at the Liberty Bell Garden.



American master puppeteer Eric Bass in 'The Village Child,' one of three festival productions aimed at mature audiences.

## Dance takes first position in heart of TV director

MICHAEL AJZENSTADT

FOR Idan Levi, who earns his living as a director for cable television, making dance video is a leap of love.

His latest documentary, *Joseph Nadj - The Choreographic Workshop '93, Beit She'an*, is among the offerings at the video dance program being presented this week.

Levi spent two weeks at the workshop, capturing more than 50 hours of Nadj's work for posterity.

"I was alone there without a sound man or a lighting technician. It was just me, so as not to disturb the natural process taking place there."

The second video dance program from the Pompidou Center in Paris to be shown here is bigger and more versatile than last year's event. It focuses on three major choreographers: Pina Bausch, Dominique Bagouet, and Nadj.

Levi's video is based on last summer's workshop with Nadj, in which several choreographers approached Georg Buchner's play *Wozzeck*.

The 31-year-old director has been involved in the local dance scene for several years now. He captured on video the works of such choreographers as Ruth Ziv-Eyal, Amos Hetz, and Noa Eshkol.

"The goal was to focus on Nadj's own ideas and to transmit those ideas which can come through convincingly well on video."

From the 50 hours of video, Levi had to edit the material to a 30-minute work.

"What was most intriguing for me was to see how Nadj thinks theatrically and movement-wise at the same time."

Levi is already looking ahead to his next step. "I want to combine video with other elements... the screen is rather limiting."

The video dance program from the Pompidou Center continues tonight (from 6) at the Israel Museum with the major work screened being Bagouet's *Planete Bagouet*. The program then moves to the Suzanne Dellal Center where tomorrow (8:30) the focus is on Bausch's *La Plaine de l'Imperatrice*. On Wednesday the attention goes to Bagouet's *So Schnell* and on the premiere of Levi's work.

On the final evening (Thursday) there will be screenings of several of Bagouet's works as well as a live performance in which several dancers from Bagouet's company will interact with the screenings.

## Animal impersonator: Oxymoronic comedy that's barking up right tree

### ACE VENTURA: PET DETECTIVE

★★★

Directed by Tom Shadyac. Screenplay by Jack Bernstein, Tom Shadyac and Jim Curry. Hebrew title: *Ace Ventura, Beshet S'izhak*. English dialogue, Hebrew titles. Parental guidance suggested.

Ace Ventura ..... Jim Curry  
Melina ..... Courteney Cox  
Elmhara ..... Sean Young  
Don Marino ..... As himself

In his starring debut as *Ace Ventura: Pet Detective*, Jim Curry is just beastly. He barks like a dog, walks like a penguin, pecks sunflower seeds like a parrot, and his pompadour lifts unmistakably into a cockatoo's crest.

As Ventura, Curry is a one-man

San Diego Zoo, with a bit (a tiny bit) of James Bond thrown in (though Jerry Lewis is closer). It appears there's nothing physical or vocal that Curry won't do: he slithers, he jumps, he twirls, he growls, he hisses and his nose keeps twitching slightly, like a chipmunk's on the prowl.

His humor is so broad, so uninhibited, so much faster and weirder and bigger than anything around him — including the hundreds of animals, birds, lizards, and fish who inhabit Ace's bachelor apartment — that he leaves an audience little choice but to laugh (like hyenas?). Elaborate criticism is quite out of the question since *Ace Ventura* is that rare entity, a movie that knows just how stupid it is, and plays that to the hilt.

### FILM REVIEW

ADINA HOFFMAN

Ace spends most of his time chasing down stolen Chihuahuas or ferrets in order to collect reward money. His investigations often take the form of a low-speed car chase: he'll steer his beat-up Chevy with one hand while he pokes his head out the window like a wind-blown puppy dog.

This time, his assignment is slightly more serious than the usual cat-snatching. When Snowflake, the Miami Dolphins' bottle-nosed mascot, is kidnapped from his tank two weeks before the Superbowl, the bumbling pet detective is hired to find the dolphin

and bring him back for the half-time show.

In essence, Ace's quest for Snowflake is just one long pratfall. We watch as the gangly detective plunges headlong into a pool with a huge killer shark, tumbles off a rooftop into a ripe garbage heap, preens in a pink tutu then divebombs most gracefully into a hedge.

Ace also has the opportunity to unleash his sophisticated sleuthing skills on the entire Miami Dolphins roster, who are suspects in the case. Some of the film's more hilarious scenes take place as scrawny Ace, in his Hawaiian shirt and loud plaid pants, tries to outrun or outwrestle or outswat the muscular team members (the players and coach Don Shula ap-

pear here as themselves). Of course, Ace also mugs outrageously and takes rough line-of-scrumage poundings when he's all alone.

It's part of the film's good humor and ill logic that Ace-the-animal-rights-buffoon ends up embroiled in a much more sinister case involving two-legged victims. When the Dolphins' general manager is killed, and quarterback Dan Marino is kidnapped, Ace is the one with the clues.

Not to worry, though, *Ace Ventura* hardly devolves to a tight-lipped Agatha Christie spin-off. Suffice it to say that the ending involves, among other things, Gatortade, plastic bubble wrap, cross-dressing cops, and an albino pigeon.

## Arab American groups blast Schwarzenegger's 'True Lies' as false image

AIMEE MILLER

THEY chant prayers before detonating atomic missiles. They slap women around, using them as human shields. They kidnap children. They even videotape their terrorist threats for the American media (too bad they can't remember to recharge the batteries first).

They're the bumbling bad guys in *True Lies*, director James Cameron's latest big-budget action flick. And they're Arabs.

Released earlier this month, *True Lies* is being attacked by Arab Americans for its depiction of Middle Easterners as blood-thirsty religious zealots.

The film "probably will stand the test of time as one of the most racist movies Hollywood has ever produced," said Jack Shaheen, an emeritus professor at Southern Illinois University, who has studied Arabs in film for 20 years.

Cameron's movie pits hulky Arnold Schwarzenegger against the Crimson Jihad, a circle of radical Islamic terrorists led by the evil Aziz (Pakistani-born actor Art Malik). It's Arnie's job to stop the jihad from bombing the US in retaliation for a war loss.

"We find that it's incredible in 1994 that we're still dealing with racist stereotypes in movies coming out of Hollywood," said Albert Mokhiber, president of the American-Arab Anti-Discrimination Committee.

The committee was one of four groups to hold a protest at a Washington, DC, theater when the film opened.

The National Council on Islamic Affairs and the American-Arab Relations Committee also have called for a boycott of the movie and are seeking to ban its release in 54 Arab and Muslim countries, said MT Mehdi, president of both groups.

Mehdi said he has received 10,000 letters and thousands of phone calls from outraged viewers of multiple faiths and ethnicities across the country.

He said his New York-based group's protest blitz against distributor 20th Century Fox, which includes sending faxes, making phone calls and circulating information by word of mouth, persuaded 500,000 people not to see *True Lies* this week.

The American-Arab Anti-Discrimination Committee, however, reported a smaller response, mainly from Arab Americans and civil-rights groups.

Twentieth Century Fox released a statement on the issue: "The film is a work of fiction and does not represent the actions or beliefs of a particular culture or religion."

Of course, stereotyping — be it racial, ethnic or gender-based — is nothing new to Hollywood. Audiences are routinely bombarded with one-dimensional manies — like the Japanese in *Rising Sun*, the Libyans in *Back to the Future*, the South Africans in *Lethal Weapon II* and the Soviets in nearly everything.

Now, in the post-Gulf war, World Trade Center bombing era, Arabs and Muslims seem to be wearing the industry's black hats.

The "status quo prejudice" in *True Lies* has gone largely unchanged by its cast, critics and audience, Shaheen lamented.

Although Arab Americans say they are the last socially acceptable villains, other ethnic groups continue to feel targeted by Hollywood prejudice.

Elizabeth O'Connell, a spokeswoman for the National Italian-American Foundation, said negative depictions of Italians — usually as mafiosi — far outweigh positive ones in film and television.

(Washington Post)

## Rehovot Camerata's plans for season proceed singingly

HELEN KAYE

GRAT choral works, a series of double concerti and two new Israeli compositions commissioned for the ensemble will highlight the Rehovot Camerata's '94/95 season which opens with Bach and closes with Handel.

In October, the Camerata will perform the B Minor Mass with the marvelous Ave Sol choir from Latvia, which sang Handel's *Messiah* with the ensemble last year.

In June the Prague Philharmonic will sing the oratorio *Saul*. Camerata's founder and music director, flutist Avner Biran, will conduct both. He is conducting all but two of the eight programs, "because one conductor means continuity and a stable orchestra," he says.

Not too many works are written for the bassoon, and the four double concerti programs feature two of them. They are Vivaldi's *La Nona* for flute and bassoon and *Concerto for Clarinet and Bassoon* by Richard Strauss, performed here for the first time.

The bassoonists are Alexander Fein and Maurizio Paz, respectively. Other soloists include pianists Claude Frank playing Mozart's Piano Concerto no. 17, K.453, and Natasha Tadson playing Haydn's Piano Concerto in D major in an all-Haydn evening. Soprano Sharon Rostorf sings in the B Minor Mass and two Bach cantatas. Biran himself will play a Mozart flute concerto.

The Israeli works are Michael Wolpe's *Concerto for Flute and Orchestra*, and a *Concertino for Oud, Strings and Piano* Obligated by Menahem Wiesenberg.

This work, together with Mark Kopytman's *Kaddish*, will be on the program when the Camerata opens the Lille Festival in France in October.

This year's budget is about NIS 2.1 million, 35 percent of which is subsidies and the rest earned income.

"This is a really small sum relative to our needs and the work we do," complained Camerata general manager Ruth Brody. She added, however, that the budget keeps the orchestra at its present strength of 24 players.

Camerata performs at the Wix Auditorium in Rehovot and at the Tel Aviv Museum. Subscriptions cost NIS 345 for the season, and Camerata's goal is to double last year's 1,000 subscriptions.



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## The real Buenos Aires culprits

LIKE "The Oppressed of the Earth" who took hostages in Lebanon in the 1980s, "The Partisans of God" - the group that claimed responsibility for bombing the Jewish community offices in Buenos Aires and blowing up the Panamanian plane - is most likely a Hizbullah unit under a different name. A small organization by that name does exist in Lebanon. It is headed by Palestinian fundamentalist Jamal Suleiman who used to be an officer in Yasser Arafat's Fatah until he split with the PLO in 1991. But it is incapable of mounting such complicated operations. Without the active backing of sponsoring states, which is what the Hizbullah has, and the cooperation of local agents in Argentina, the successful execution of the Buenos Aires bombing would have been impossible.

But to argue over which terrorist faction perpetrated the deed is as irrelevant as to suggest that the Mossad track down and eliminate the perpetrators the way it liquidated most of the terrorists involved in the Munich massacre. Killing a few gunmen who do the bidding of their superiors may give Israelis a feeling that justice has been done, but it cannot defeat political terrorism. The reservoir of would-be killers is too large, and gunmen can always be replaced.

US Secretary of State Warren Christopher was far more pertinent when he said last week that the only way to defeat terrorism is to eliminate its root cause. The only question is what the root cause is. Though Christopher did not specify, one suspects he meant the Palestinian problem. This is a transparent fallacy.

Neither the Hizbullah nor the regimes which

sponsor it believe that settling the "Palestinian problem" short of destroying Israel will eliminate the root problem. For them the irritant is Israel's existence. The Partisans of God have declared an all-out war against the Israeli enemy "irrespective of all accords." So have the Hizbullah and Hamas. And, as Chief of General Staff Ehud Barak has said, there is no real difference between the goals of Hamas and those of the PLO.

The root cause, then, is not the Palestinian problem. It is the terrorist war against Israel and Jews everywhere by those who seek the end of Israel. It is unrelated to accords or peace treaties, and it will continue as long as regimes which sponsor it can do so with impunity. If Christopher wishes to eliminate this root cause, he can start by advocating that the world community stop wooing and coddling the regimes which sponsor terrorists.

The very fact that terrorist groups can make announcements publicly is an indication of their sponsors' collusion. The Hizbullah acts freely and uninhibitedly in a country under Syrian control and openly receives advisors and weapons from Iran. In PLO-ruled Gaza, the military arm of Hamas triumphantly announces in an open press conference that it had killed an Israeli officer.

Neither Israel nor any other nation protests these testimonies to the participation in terrorism of legitimate, recognized regimes. Instead, Syria is plied with arms and economic aid, Iran is a preferred customer for Western technology exporters, and the PLO is treated as a perfect partner for peace. That the world not only tolerates these regimes but encourages them ensures that the Buenos Aires blast will not be the last.

## Serbs miscalculate

IT is no surprise that the Bosnian Serbs have rejected the new "take-it-or-leave-it" peace plan which both the Croats and Moslems accepted last week. Yet many people, including the multinational mediators who drafted the plan, had hoped that just for once the Serbs might grasp the international mood and make a courageous leap of the imagination.

It is easy to be cynical about the discarded former peace plans and cease-fire agreements that have littered the floors of conference centers from Geneva to Sarajevo for the past year, but it appears to have dawned on everyone except the Serbian leaders that this time things are different. The difference is not that the drafters of the peace plan - the United States, Britain, France, Germany and Russia - have decided to take strong action on the Yugoslav war, but that they have all decided they are fed up with the whole affair.

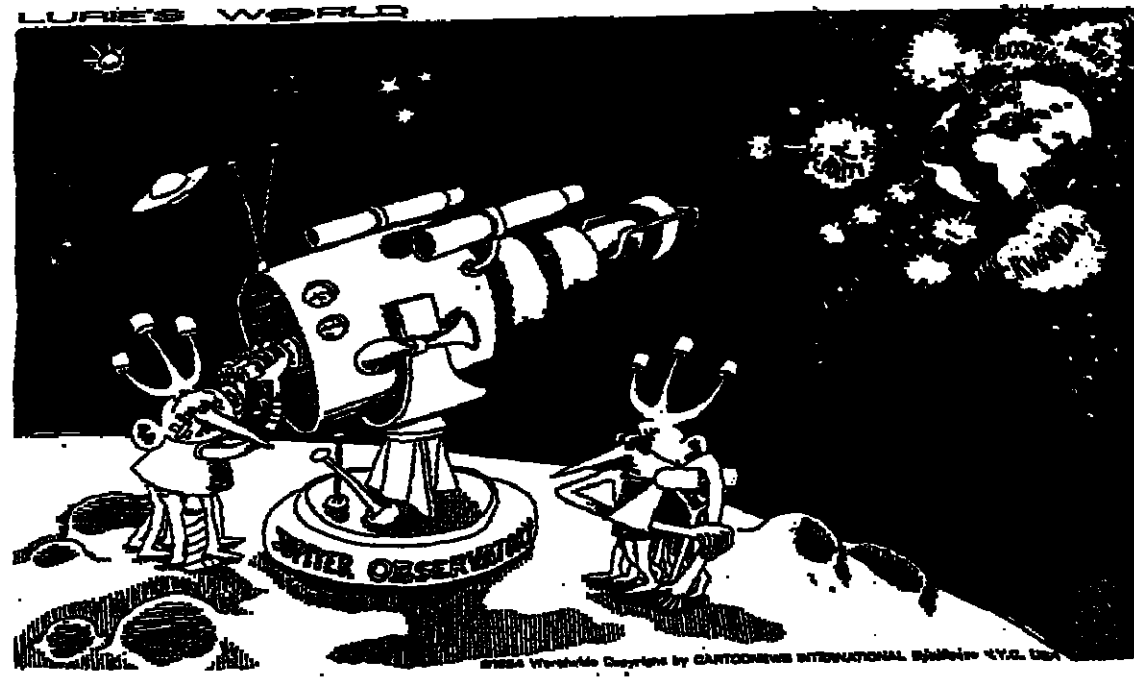
The fact that Moscow fully backed the peace plan, and the map for Bosnia's division on which it is based, should have been heeded by the Serbs. They have long sought to use their friendship with Russia to split any international consensus on the war. Due to the war and the incessant propaganda they feed themselves, the Serbian leaders live in some cocoon of unreality where they think the friendship of a state like Russia is equivalent to the loyalty of a local militia. In the big and complex world outside, friendship has its limits.

The Serbs have been surprised to find that Russian troops and UN personnel in Bosnia have not been prepared to bend the rules in their favor

and turn blind eyes to Serbian breaches of agreements. The Russians have treated them as fairly and dispassionately as they and the other foreign contingents have treated Moslems and Croats. This of course surprises no one familiar with international policing rules. Participant does not mean partisan.

US Defense Secretary William Perry said last week that the Bosnian Serbs' negative response could result in tighter sanctions against Serbia and a lifting of the arms embargo against the Bosnian Moslems. Simply paraphrased, that means the international community is getting close to letting the combatants fight to a standstill. Or, perhaps more clearly, it's getting close to weighting the odds in favor of the Moslem-Croat alliance - with arms supplies and NATO air strikes - until the combatants fight to the territorial limits laid down in the map the Serbs are now rejecting.

The map now on the table would give the Moslem-Croat federation 51 percent of the territory. The Bosnian Serbs, who control about 70 percent of the land, would get 49 percent. The map is fair, and the plan solid. It is hard to understand why the Bosnian Serbs cannot just say enough is enough of this vicious war. It is a war no one will ever win outright and if the foreign powers swing the balance to the Moslems and Croats, the Serbs may well be beaten back to logical borders anyway. How much easier if they would simply withdraw now to their new federal state which a grateful world would immediately recognize and help.



"If you think we're having a bad time, come look at this..."

## Future far from peace

LAST week was a news-packed week - exhilarating, chagrining and tragic by turns.

The breakthrough with Jordan followed on the heels of mass rioting at the Erez checkpoint in the Gaza Strip, the fatal ambush of an Israeli officer at Rafiah and the mass murder at the Buenos Aires Jewish community headquarters.

What do these events, taken together, have in common? In all likelihood, they provide us with a glimpse of what the immediate future holds in store:

- Progress toward a formal peace agreement with Jordan;
- A spilling over of horrendous socio-economic tensions in Gaza into murderous anti-Israeli rioting;
- Planned terrorist ambushes; and
- The spreading of Iranian- and Arab-sponsored anti-Israel terrorism to Israeli and Jewish targets abroad.

It is a future that will be far short of peace, in the midst of a continuing "peace process." And yet the fact that a full-blown peace with our Arab enemies isn't just around the corner should not blind us to the advantages inherent in even partial abatement in hostility and violence.

It is very important to understand King Hussein's motives in finally braving the cold waters of an overt relationship with Israel. In a recent address to his army officers, the king spoke of the danger of possible dismemberment of the kingdom. He faces problems such as prolonged economic depression, serious challenges from Moslem fundamentalist and radical Palestinian forces in his own kingdom, and the emergence of an autonomous or independent PLO-led Palestine on his borders. This would act as a magnet for Palestinian loyalties at a time when the Hashemite kingdom's future is very much in doubt due to Hussein's illness.

Hussein - like Egypt's Sadat in 1977 - was wise and courageous enough to realize that the American and Israeli support needed to ensure the continuation of the Hashemite kingdom in the face of

YOSEF GOELL

these threats had become dependent on his making a dramatic breakthrough to Israel.

Israel's government was equally wise in responding magnanimously to that overture. But the photo opportunities last week at the Dead Sea Hotel and today at the White House notwithstanding,

Although tranquility is hardly around the corner, good noises are coming out of Jordan

we should realize that we are dealing with a potentially volatile situation.

There will be very real challenges - including violent ones - to the continuation of the Hashemite regime in the event of the king's demise.

THE MOST important contribution Israel could make to the perpetuation of the Hashemites against their anti-Israel challenges would be to ensure that as wide a strip as possible of the Western side of the Jordan Rift Valley remain in Israeli hands permanently at the end of negotiations with the Palestinians.

Foreign Minister Peres was correct in emphasizing Israel's position that "Jordan isn't Palestine." Likud leaders - with the blatant exception of Ariel Sharon - have endorsed the government's policy of supporting Hashemite Jordan against any Palestinian takeover.

But such declarations must be followed up by policies to ensure that there is no physical nexus between Jordan and the Palestinian self-governing entity on the West Bank.

Peres was at his high-faloot best at the Dead Sea TV ceremonies but Jordanian Prime Minister

Abdel Salam Majali deserves high marks for wisely stressing that the problems in Israeli-Jordanian negotiations are different from those that Israel has in its talks with the Palestinians and Syrians, and require different approaches.

What the three relationships have in common is the potential for instability among the Arab partners to the process. It is far from certain to what extent Arafat and his Fatah loyalists will control affairs in the areas that have been handed over to their rule. One ominous piece of news was that the salaries of the Palestinian policemen in Gaza and Jericho are being cut in half. How this will affect discipline over a force of supposedly reformed terrorists remains to be seen.

Whether Arafat and his loyalists will be able to control and prevent mass riots like the one at Erez, or Hamas ambushes like the one at Rafiah, will be critical for the outcome of the next stage of talks on the extension of partial autonomy to other parts of the West Bank. That outcome, and Arafat's ability to provide bread and work in Gaza, will also determine whether he or Hamas and other oppositionists will win the elections scheduled for later this year.

But the greatest potential for instability lies in Syria, following the demise of Assad. If Assad had responded to Rabin's initial overtures regarding a trade-off - territorial compromise on the Golan for peace and security arrangements - one could have argued for seizing a fleeting opportunity and striking while the iron was hot.

Since Assad has shown no inclination to respond in any such manner, it would be the height of folly for Israel to make far-reaching territorial concessions - and surrender crucial strategic advantages - to an Arab leader obviously at the end of his rule and in no position to guarantee any long-term quid pro quo. Far better to wait for his successor.

The writer, a veteran journalist, comments on public affairs.

## Like love

GABI SHEFFER

IT could very well be that the hatchet has finally been buried in the Middle East. Under current global and regional conditions, it is difficult to see new wars erupting between Israel and its Arab neighbors.

The new situation isn't just a result of the "new world order" - with the disappearance of the Soviet Union and the emergence of the US as the world's superpower - but of a change in the interests of regional governments.

Still, it isn't the much-reduced chance of war or the ceremonial mutual recognition of sovereignty which indicates that real peace is coming to this region. Not even signed peace treaties do that.

To know whether real peace has arrived, we must first define peace. We used to say that peace resembles the relations that exist between Belgium and Holland.

Others have argued that there is no need to define peace. Like

Peace is a state of mind

love, when it's there, we'll know it.

This may be so, but in the current circumstances in the Middle East and Israel we need a clearer definition of peace. We must know who is a friend and who is a foe of peace; who genuinely supports peace and who opposes it. Clarity is important because there are those among our neighbors and among our own citizens who publicly praise peace but are far from ready to accept it.

In searching for a concise definition of peace, we should pay attention to an old Arab formula that some Arab leaders are now repeating. Jordanian Prime Minister al-Majali used it at last week's joint Israeli-Jordanian press conference at the Dead Sea Spa Hotel. "Peace is a state of mind," he said. Characteristically, a senior Israeli commentator mistakenly translated it as "Peace is a mood."

It may be that many Israelis are in a peaceful mood. It may also be that many Israelis dream about peace. But the central question is: How many Israelis have internalized these emotions, and cravings? How many have made these feelings part of the cognitive process through which they perceive the new global and regional situation, the Arabs' inclination toward peace, and the absolute advantage of peace?

Only when most Israelis internalize these factors, will we really know that peace has arrived here.

The writer, a professor of political science, is director of the Leonard Davis Institute for International Relations of the Hebrew University.

## POSTSCRIPTS

THE LATEST BRUSH with Koran-thumpers is - the lovely hamburger wrapping.

McDonald's offended thousands of Moslems by printing the flag of Saudi Arabia - which includes a Koran scripture - on throwaway hamburger bags.

The stir began with a World Cup promotion that featured flags of the 24 competitors. Saudi Arabia's flag contains a passage that can be translated as: "There is no God but Allah, and Mohammed is his Prophet," sacred words that Moslems say should not be crumpled up and thrown in the garbage. McDonald's printed 2 million of the bags in Britain.

"It is the declaration of faith which appears on the bag," said Iqbal Saeed, of the United Kingdom Action Committee on Islamic Affairs. The Saudi ambassador, Dr. Ghazi Alghamdi, promptly expressed his concerns to McDonald's.

McDonald's said it had been concerned ahead of time about using the Saudi flag and sought out advice from an outside consulting agency, which gave them the go-ahead.

ALAS, POOR Octavia, she pulled the plug.

Octavia the Octopus, of Los Angeles's Cabrillo Marine Aquarium, was found dead at the bottom of her tank after one of her powerful tentacles apparently pulled off a plastic pipe that served as a water drain.

For weeks before her death, Octavia was the source of controversy. Caught by fishermen near Los Angeles last January, she was the first giant Pacific Ocean octopus to go on display at the aquarium. The row began almost immediately, with animal rights protesters saying the orange-red giant was far too big for her tank. The aquarium's exhibit director countered that the tank was just fine and that an octopus is most comfortable in cozy surroundings.

The protesters said Octavia might fall victim to "Octopus Automutilation Syndrome," which is exactly what the name implies, if kept in the tank. Protesters carried placards depicting a tearful octopus that said, "Please Let Me Go Home." The aquarium said no way.

## LETTERS TO THE EDITOR

### UNIQUELY JEWISH

Sir, - Jonathan Miles ("Uniquely Jewish" - Letters, July 8) is surely mistaken in his assertion that Jesus' followers were Jewish. I quote from no less an authority (recognized even by Catholics) than Episcopal Canon Naim Stifan Ateek in his book *Justice, and Only Justice: A Palestinian Theory of Liberation* (page 113): "The Land of Palestine hosted the Great Event of the Incarnation. Jesus was born in Bethlehem - died and was buried in Jerusalem. Therefore, the first witnesses to the Resurrection were Palestinians; the Church was born in Palestine as the early disciples and followers of Jesus were Palestinians..."

DOV CHAIKIN

Jerusalem. With reference to Canon Ateek's spurious historical claims, the New Testament quite clearly states that Jesus was born in "Bethlehem of Judah." And it is an acknowledged historical fact that the name of the land was changed by the Romans to Palestine some 100 years after the crucifixion. - Ed. J.P.

### NATIONAL DIGNITY

Sir, - We are told that it is commendable that the army ran away from the attacking Palestinians at the Erez checkpoint because in so doing, further bloodshed was avoided.

We are told that Jews may not go up to the Temple Mount because the act might provoke the Arabs.

The purpose of a government and its army is to ensure that its citizens lead normal lives and to fight off those who do not permit them to do so, not to avoid confrontation at the cost of national dignity.

RYON SIMCHI

Jerusalem.

### STRESS DISORDER

Sir, - Judy Siegel's article of July 10 on the recent trauma symposium in Jerusalem ignores the fact that the symptoms of post-traumatic stress disorder described are most evident among many of the nearly 300,000 Holocaust survivors living in Israel today, who have also been trying to cope with memories of their traumatic experiences for more than 50 years, much longer than the 20+ years since the end of the Vietnam War.

These symptoms are certainly not new, and were identified decades ago, primarily among Jewish survivors of the Holocaust. These survivors came to Israel, raised families and led exemplary lives here for the past 45-50 years. However, as they have aged, the combination of normal events of aging such as retirement, death of spouse, relatives or friends, in addition to frequent cognitive and physical losses and external psychological triggers such as war-related commemorations, terrorism, violence at home or abroad, etc., induce symptoms of post-traumatic related stress.

We at AMCHA, the National Israel Center for Psychosocial Support of Survivors of the Holocaust and the Second Generation, have been assisting those people not only by erasing pain, but by talking to them about their traumas, and providing professional assistance for the past eight years in our four branches across the country. Thousands have already been helped by this specialized work, and much of the methods and theories we have developed can be applied and learned in dealing with war veterans, as well as current victims of war and persecution.

DR. NAZAN DURST,

Clinical Supervisor, AMCHA

Ramat Gan Branch

Ramat Gan.

### SHAME!

Sir, - I cannot imagine how our security forces allowed the four terrorists who were partially or wholly responsible for the Ma'alot tragedy to slip through their hands. It is bad enough that they were allowed to enter the country in spite of their complicity in the deaths of the 22 schoolchildren, but to allow them to return to wherever they came from (albeit expelled) does not sit well. Is our government so weak that we are afraid to offend PLO sensitivities by arresting those men and placing them on trial for their atrocities? Does our government feel that the deaths of these innocent children need to be answered for?

I am afraid that there are people in the government who are willing to forget and forgive for the sake of the "peace process"; but how can one forgive these killers.

AVRAHAM YOM-TOV

Moshav Katif.

### TELEREVIEW

Sir, - If Penny Starr's tastes in sexy men (*Television* of July 8) include Arafat, then for her sake, I hope she will one day be lucky enough to have a blind date with "Hannibal the Cannibal."

And if she is not "turned on" by watching protesters plead their stand, then maybe you can scrounge up some 20-year old TV footage of the Ma'alot massacre to show her for a real "orgasmic" experience.

Since when do you allow political op-ed to be a part of a television review column? I suggest Penny Starr state her political leanings in the Opinion Page in the future.

TZIPPI JAKUBOWICZ

Jerusalem.

## Why 'Davar' must go on

I have a problem with the way the editors and staff of *Davar* are trying to save the paper.

The Histadrut's new leadership, eager to save money and cut the bureaucracy, has apparently decided to scrap the newspaper *Berit Katznelson* founded. *Davar's* deficit is too large and its circulation too small.

It is only natural that those who work for the paper will want to save it. But in reading their arguments, I'm not convinced.

The main argument being presented by the newspaper's supporters is that the number of newspapers in Israel has been shrinking and that three families now control the market almost completely. A healthy democratic society, it is argued, needs more newspapers than that.

In and of itself, that argument is not very powerful. There are vigorous democracies with three mass-circulation newspapers for a population of only a little more than four million. (In Israel there are, of course, a wide range of other dailies - including this one - in a whole range of languages; there are also weeklies and monthlies which reflect the whole range of political opinion in Israel.)

But more than that, even if I was convinced that Israel needs more than those three large dailies, why should I want *Davar* as the alternative? Perhaps *Hadashot* (now deceased) or even Mapam's daily *Al Hamishmar* (still alive, barely) could play the role of an opposition press. And with Labor and Meretz running the government, the real opposition press is the religious dailies and *The Jerusalem Post*.

The only argument that would convince me that this country needs *Davar* is the argument that Israel needs a daily labor newspaper. And that is an argument which I have not heard made by *Davar's* defenders.

ERIC LEE

If Israel needs a labor movement, it needs a labor newspaper. Strong labor movements have strong labor presses. I recently visited Norway as a guest of the labor movement there, and I asked if that country has a daily labor newspaper. There are dozens, I was told, in all the cities and towns. They are thriving. And

Because a labor movement with vision needs a vehicle

Norway has a population of only four million.

DOES ISRAEL need a labor movement? This is not the same as asking if Israel needs pure-and-simple trade unionism, as Samuel Gompers, the founder of the American Federation of Labor, would have put it.

A labor movement is something different. It is a broad social movement representing not only the interests of the workers who pay dues, but of all those who belong to that vast and ill-defined mass mislabeled "the working class." The labor movement, unlike simple trade unions, represents the unemployed. It represents the homeless, the poor, the youth, the housewives, the pensioners.

And a labor movement doesn't only represent its mass constituency in the sense of defending its rights or speaking out in its name - it also fights to transform society to serve its interests.

In other words, a labor move-

ment is a movement with a social vision.

When we speak about that kind of movement, we are obviously talking about an organization which does need a daily newspaper. And not only a daily newspaper; large, successful, well-organized labor movements have cultural organizations, political parties, sports clubs, women's movements and youth groups.

On paper, the Histadrut has all these things. Some, like the women's movement Na'amat, are more vibrant than others. Some, like *Davar*, are facing extinction. To revitalize the Histadrut, which is the pronounced goal of its new secretary-general, it must revitalize the whole range of its social, political and cultural activities. It cannot afford to cut them off.

*Davar* should survive for only one reason: because the Histadrut should survive. *Davar* should be revived, invested in, modernized and improved because the Histadrut should be revived, invested in, modernized and improved. *Davar* should reflect the changes taking place in the Histadrut and can serve as a barometer of those changes.

Only a socially conscious Histadrut with a vision, something like the labor movement I saw in Norway and its dozens of daily newspapers, has the right to survive.

The decision to close *Davar* would be an acknowledgment that the Histadrut no longer has a social message or a vision to propagate. That may be true, and if that is the case, the Histadrut should also close up shop. After all, the last thing Israel needs is another special interest group.

The writer edits the quarterly magazine *Workers' Education*, published by the International Federation of Workers' Education Associations (IFWEA). This article reflects his own personal views.



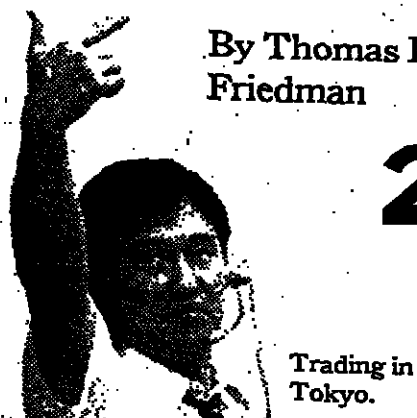
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## New World Order When Uncle Sam takes on Adam Smith, bet on the markets.

By Thomas L.  
Friedman

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Trading in  
Tokyo.

## The Perils of Victory South Korea is troubled by a strange new fear: What if it gets what it always wanted?

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Rwandan  
refugee

1928



American election inspectors in León, Nicaragua, during the United States occupation between 1926 and 1933.

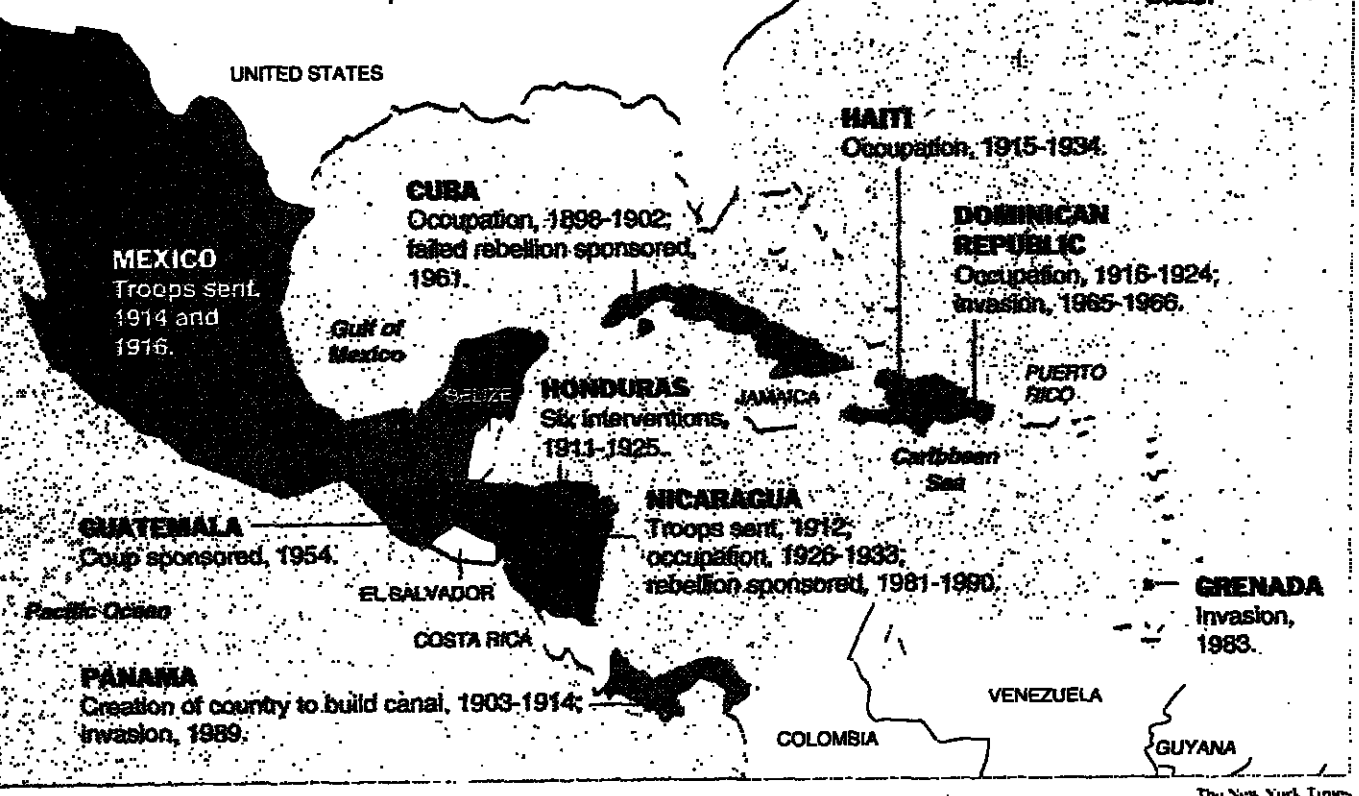
1983



United States soldiers holding People's Revolutionary Army suspects during the U.S. invasion in Grenada in 1983.

## Call It 'Lake Monroe'

A century of U.S. military actions in its backyard.



# Close To Home

## Remembering The Past; Repeating It Anyway

By LARRY ROHTER

ONCE again, the United States finds itself weighing military intervention in the Caribbean, with ships and troops poised just offshore, waiting for an order to move in and restore order to a country that has plunged into chaos and misery. For nearly a century now, that has been the standard American response when events in the region geographically closest to the United States threaten to get out of hand, and for just as long a time, those interventions have almost uniformly failed to produce the results that policy makers in Washington had hoped for.

Since its first sustained foray into the region during the Spanish-American War of 1898, which yielded a protectorate in Cuba, permanent possession of Puerto Rico and a colony in the far-off Philippines, the United States has intervened militarily in the insular Caribbean and in Central America more than a score of times. Some countries, such as the Dominican Republic and Nicaragua, have been invaded and occupied more than once, a phenomenon that probably most eloquently expresses America's historic inability to remake neighboring societies to its own satisfaction. Indeed, it has often seemed that the more the United States tinkers, the worse things become.

### Many Tactics, One Rationale

The forms of intervention have varied, of course, from quick campaigns such as in Nicaragua in 1912, Grenada in 1983 and Panama in 1989, to long occupations in Haiti and the Dominican Republic early in the century. Then, too, there was invasion by proxy, practiced in Central America in the 1980's, and even the creation of a country by fiat — Panama in 1903. The locations have also varied, with Spanish-, French- or English-speaking parts of the Caribbean all having to surrender sovereignty and self-determination at one time or another.

Almost always, however, the American rationale has been the same. In 1915, the United States explained that it was occupying Haiti "in the words of the Wilson Administration, in order to eliminate 'a public nuisance at our doorstep.' Last week, President Clinton used similar language in describing six American vital interests in Haiti. "First of all, it's in our back yard," he said, before stressing the need to protect Americans living here and his desire to install democracy.

But strategic and commercial considerations, such as control of sugar, bananas and the customs revenues needed to pay back bank loans, have usually loomed behind such statements of high principle. Especially during the early decades of the century, "there was a common strategic thread that pretty much covers all the military interventions, and that was the need to defend the Panama Canal and the approaches thereof," said Ivan Mucic, author of "The Banana Wars," a study of American interventions in the Caribbean Basin between 1898 and 1989. More recently, following the rise of Fidel Castro, the fear of Communist expansion, of "another Cuba," has been paramount.

In at least a material sense, many of the occupied countries benefited from the American presence. Highways, railroads, bridges and streets were built; telephone, electrical and telegraph systems installed or extended; docks, ports and lighthouses modernized, and schools and hospitals constructed in places that had none. Infant mortality rates fell and life expectancy rose as clean water was brought to rural areas and public health campaigns reduced the incidence of tropical diseases such as malaria, yellow fever and yaws.

At the same time, American administrators insisted on balanced budgets and reduced the foreign debt, which helped create conditions for economic growth. The pres-

Continued on page 3

### Is There a Cure?

# The Debilitating Malady Called Boyhood

By NATALIE ANGIER

UNTIL quite recently, the plain-spoken tautology "boys will be boys" summed up everything parents needed to know about their Y-chromosome bundles. Boys will be very noisy and obnoxious. Boys will tear around the house and break heirlooms. They will transform any object longer than it is wide into a laser weapon with eight settings from stun to vaporize. They will swagger and brag and fib and not do their homework and leave their dirty underwear on the bathroom floor.

But they will also be...boys. They will be adventurous and brave. When they fall down, they'll get up, give a cavalier spit to the side, and try again. Tom Sawyer may have been a slob, a truant and a hedonist; he may have picked fights with strangers for no apparent reason; but he was also resourceful, spirited and deliciously clever. Huckleberry Finn was an illiterate outcast, but as a long-term rafting companion he had no peer.

Today, the world is no longer safe for boys. A boy being a shade too boyish risks finding himself under the scrutiny of parents, teachers, guidance counselors, child therapists — all of them on watch for the early glimmers of a medical syndrome, a bona fide behavioral disorder. Does the boy disregard



Boys will be boys, even in an 1871 painting by Eastman Johnson.

authority, make snide comments in class, push other kids around and play hooky? Maybe he has a conduct disorder. Is he fidgety, impulsive, disruptive, easily bored? Perhaps he is suffering from attention-deficit hyperactivity disorder, or ADHD, the disease of the hour and the most frequently diagnosed behavioral disorder of childhood. Does

he prefer computer games and goofing off to homework? He might have dyslexia or another learning disorder.

"There is now an attempt to pathologize what was once considered the normal range of behavior of boys," said Melvin Konner of the departments of anthropology and psychiatry at Emory University in Atlanta. "Today,

Tom Sawyer and Huckleberry Finn surely would have been diagnosed with both conduct disorder and ADHD." And both, perhaps, would have been put on Ritalin, the drug of choice for treating attention-deficit disorder.

To be fair, many children do have genuine medical problems like ADHD, and they benefit enormously from the proper treatment. Psychiatrists insist that they work very carefully to distinguish between the merely rambunctious child, and the kid who has a serious, organic disorder that is disrupting his life and putting him at risk for all the demons of adulthood: drug addiction, shiftlessness, underemployment, criminality and the like.

### It's a Boy Thing

At the same time, some doctors and social critics cannot help but notice that so many of the childhood syndromes now being diagnosed in record numbers affect far more boys than girls. Attention deficit disorder, said to afflict 5 percent of all children, is thought to be about three to four times more common in boys than girls. Dyslexia is thought to be about four times more prevalent in boys than girls; and boys practically have the patent on conduct disorders. What is more, most of the traits that brand a child as a potential syndromer just happen to be traits associated with young males: aggres-

sion, rowdiness, restlessness, loud-mouthedness, rebelliousness. None of these characteristics is exclusive to the male sex, of course — for the ultimate display of aggressive intensity, try watching a group of city girls engaged in a serious game of jump-rope — but boys more often will make a spectacle of themselves. And these days, the audience isn't smiling at the show.

"People are more sensitized to certain extremes of boyishness," said Dr. John Roney, a psychiatrist at Harvard Medical School. "It's not as acceptable to be the class clown. You can't cut up. You won't be given slack anymore." Woe to the boy who combines misconduct with rotten grades; he is the likeliest of all to fall under professional observation. "If rowdiness and lack of performance go together, you see the button being pushed much quicker than ever before," he said, particularly in schools where high academic performance is demanded.

Least males of all ages feel unfairly picked upon, researchers point out that boys may be diagnosed with behavioral syndromes and disorders more often than girls for a very good reason: their brains may be more vulnerable. As a boy is developing in the womb, the male hormones released by his tiny testes accelerate the maturation of his

Continued on page 4.



# The World

## When Money Talks, Governments Listen

By THOMAS L. FRIEDMAN

WASHINGTON  
**T**HINK about the meaning of these numbers: The global currency markets trade about \$1 trillion worth of dollars each day. When the world's 17 largest central banks, led by the Federal Reserve, intervened last month to try to prop up the dollar, they dug deep into their pockets and came up with about \$5 billion and change, which they threw into the market in an effort to bid up the value of the American currency. No wonder they had little effect on the dollar. The central banks were like a zoo keeper trying to calm a starved gorilla by offering it a raisin for lunch.

It really wasn't the fault of the governments, though. Raising, it seems, are all they have sometimes, compared with the assets of the huge capital, currency and bond markets they are trying to influence. Whose world is this anyway? The answer is that it is increasingly Adam Smith's world — a world in which the balance of power between global financial markets and governments is tilting toward markets. When it comes to global markets these days, the motto of governments is: "There they go, I must catch up, for I am their leader."

Twenty-two-year-old bond traders with ice water for blood tyrannize the President, passing judgment on his economic performance by raising or lowering interest rates; the markets devour central bank cash with nary a burp, and the portfolio managers, playing global Monopoly, move cash from country to country, deciding which governments deserve to "Pass Go" and collect \$200 billion and which should go directly to jail and be starved of the capital to raise living standards.

This shift in power is driven by a combination of factors. The revolution in telecommunications and data transmission has knit Tokyo, Frankfurt, London and New York in a seamless web of financial interactions that operates at a speed, and in volumes, beyond the grasp of any single government. This

technical revolution, though, has been accompanied and fueled by a political revolution. Over the past decade there has been a widening acknowledgment, from Albania to Alabama, that when it comes to allocating resources, markets work better than governments, whether the issue is providing telephone service or investment capital.

"Basically, governments have consented to a regime that allows markets to boss them around," said Stanford University economist Paul Krugman, "because the conventional wisdom, fed by experience, says that to throw up barriers to these market forces is to invite economic stagnation, if not disaster."

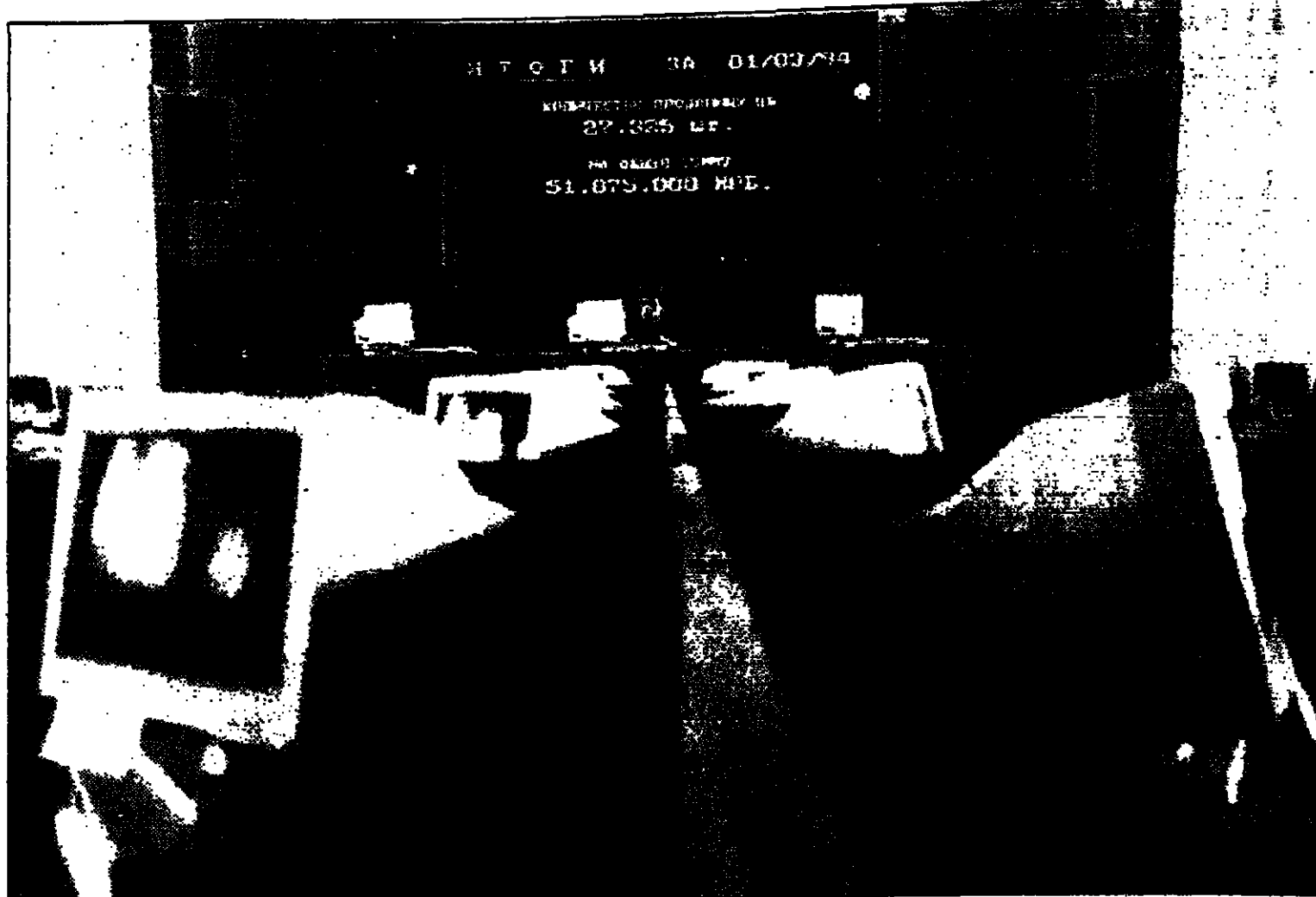
From the State of South Carolina to the government of Brazil, leaders believe that a central role of government is serving as a

### Who runs the world? In many ways, the global markets do.

broker — a broker between their constituents and the global markets. As more countries have gone capitalist, there is a huge global competition for cash and investors, so that governments can build the roads, power stations and telephone systems that are the foundation for higher living standards. Governments used to do that with their own cash — as the Marshall Plan rebuilt much of Europe after World War II — but they don't have it anymore.

So the role of governments now is increasingly to entice private investment — to get B.M.W. to build a plant in Mississippi, or to get portfolio managers to invest in the Shanghai stock market — by assuring stable currencies and sound economic fundamentals.

"During the cold war," said Labor Secretary Robert Reich, "we used the Soviet threat to get the public to accept certain



Telecommunications have enabled countries all over the world to enter the global currency market. Here, technicians checked the computer system on the trading floor in March before the Ukraine Stock Exchange opened.

changes and to build certain institutions, from the national highway system to the space program. They were all justified in national security terms. Today, with the Soviet threat gone, governments now use the global markets in the same way. We have to adopt this economic policy, initiate this training program for our work force, build this world-class airport, because if we don't we won't be able to attract global capital and raise our standard of living."

The role these markets have in promoting democracy is ambiguous. Markets demand stability, but they don't discriminate between the Singaporean form or the Jeffersonian form. "There is a brutal Darwinian logic to these markets," said the investment banker Felix Rohatyn. "They are nervous and greedy. They look for stability and transparency, but what they reward is not always our preferred form of democracy."

The struggle between markets and governments is not new. When the invention of the telegraph and the railroads knit the fragmented American economy into a single unit in the 19th century, it took 50 years for the Federal government to catch up and set up institutions like the Securities and Exchange Commission. Now national economies have been knit into a global economy, but so far

national governments have not forged many super-national institutions to monitor it, because nations are reluctant to cede any sovereignty to global institutions.

### An Enormous Challenge

This creates an enormous challenge for regulators, says Arthur Levitt Jr., chairman of the S.E.C., which is responsible for upholding the standards of an American securities industry that is increasingly operating outside the S.E.C.'s grasp. "Morgan Stanley, dealing with a Tokyo insurance company, can have as big an impact on our system here as Morgan Stanley dealing with General Motors." The problem, though, added Mr. Levitt, is that many of the dealings between Morgan Stanley and a Tokyo insurance company are happening at a speed and in a global marketplace beyond the reach of his regulators.

The big debate in Congress over whether to ratify the new General Agreement on Tariffs and Trade is over how much sovereignty to cede to this super-national trade body. Opponents argue that GATT will give the World Trade Organization in Geneva the power to override certain American environmental laws and safety and health standards, if they violate the principles of free trade. This is

often called the "GATTzilla versus Flipper" debate because GATT has ruled against American laws banning the import of tuna caught in nets that also sweep up dolphins.

A similar debate is going on in Asia with its new economic grouping, called APEC for "Asia Pacific Economic Cooperation." But it has no last name. Asia Pacific Economic Cooperation — what? Organization? Institution? The reason APEC has no last name is because the member states were so worried about ceding sovereignty to it, they would not even call it an organization.

"Those in America who worry about the loss of sovereignty to GATT, or those in England who worry about a loss of sovereignty to the European Union, may seem at times like the King who stood on the beach and tried to stop the tide," said the Harvard University political theorist Michael J. Sandel. "But those who are worried have a point. These global markets are not accountable to any citizens. They don't necessarily reflect decisions that we have made on the basis of our collective values. One of the biggest challenges for democracy in our time is to develop political institutions that will be powerful enough to deal with global markets, but accountable enough to enable citizens to feel that they are still in control."

### South Korea's Fear of Winning

## Unifying? Not Now, Please

By ANDREW POLLACK

SEOUL, South Korea  
**F**OR more than four decades South Koreans waited for the day when Kim Il Sung, the Communist leader of North Korea, would die or be toppled. Once the man who started the Korean War was gone, it was thought, the opportunity would arise to unify the Korean peninsula.

But when the "Great Leader" finally passed away this month at the age of 82, South Koreans worried rather than rejoiced. What they worried about more than anything else was reunification.

Attitudes have changed in South Korea regarding reunification. People still speak of the desirability of uniting the Korean people, because to oppose it is to oppose motherhood. But they also have taken notice of the economic and social problems Germany has experienced since it unified four years ago, and this has made them much more cautious. Having recently achieved something of the good life, South Koreans are in less of a mood to socialize with, or care for, their poor cousins in the North.

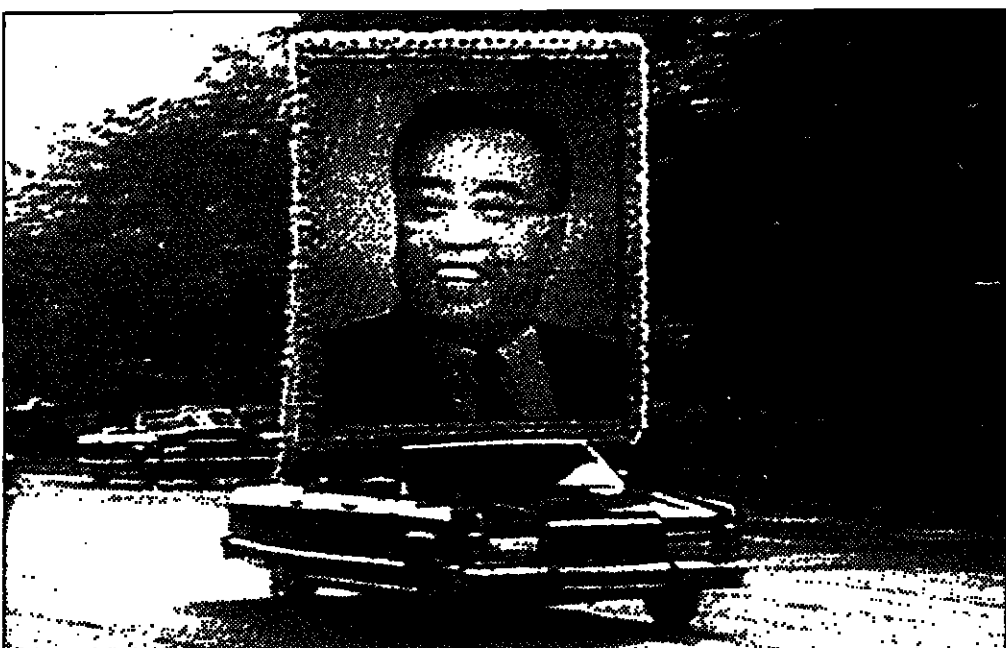
"On the one hand, the absolute majority wants to see reunification," said Kil Jeong Woo, director of policy studies at the Research Institute for National Unification in Seoul, which is affiliated with the South Korean Government. "That's the emotional side. On the economic side, after witnessing the German experience, we should be more realistic."

The reunification of East and West Germany brought about massive unemployment and imposed heavy tax burdens on citizens. And West Germany was one of the world's strongest economies. South Korea could absorb far less, yet would have to absorb far more. When the Berlin Wall fell in 1989, East Germany's per capita income was one-fourth that of West Germany; North Korea's per capita income of about \$900 a year is only one-eighth that of South Korea. And while there were four times as many West Germans as East Germans, there are only two South Koreans for each North Korean.

Studies have estimated that it could cost South Korea anywhere from \$200 billion to more than \$1 trillion, spent over a decade or so, to absorb North Korea. The Research Institute for National Unification, for instance, estimates that raising North Korea's economic level to 60 percent that of the South would take 10 years and cost \$40 billion each year — an amount equal to one-eighth of South Korea's annual economic output.

The emphasis here now is on stability, not unity. The worst nightmare for South Korea is that North Korea, already beset by severe food and fuel shortages, will collapse. That would send hundreds of thousands, perhaps millions, of refugees streaming across the border and might force a sudden reunification that could destroy South Korea's newfound prosperity.

The South wants, above all, to prevent such a "Big Bang" reunification. The fear of



A portrait of the late Kim Il-Sung at his funeral procession in Pyongyang Tuesday.

brink is so great that it could dilute South Korea's willingness to help impose sanctions on North Korea should the controversy of its nuclear weapons program heat up again.

And South Korea finds itself in the uncomfortable position of actually feeling relieved that Kim Il Sung's son, Kim Jong Il, appears to be smoothly assuming leadership of North Korea. This despite the fact that the younger Mr. Kim might maintain the hard-line policies of his father and despite the fact that he is portrayed here as the mastermind behind bombing attacks on South Korea's cabinet and on a South Korean airliner. Even the "Dear Leader," erratic as he is rumored to be, is considered better than the chaos that some analysts feared would erupt within hours after Kim Il Sung was no longer around to hold the country together.

### The Worst Day

"The eighth of July was the worst day in our minds," said one South Korean official about the day Mr. Kim died, reportedly of a heart attack. "Now, the worst day is over."

Yeon Ha-Cheong, a South Korean scholar involved in planning for the unification that South Korea still wants some day, said the Government has considered three approaches. One that was rejected was shock therapy, in which South Korea would try to precipitate an economic collapse in the North and take over. The second, only somewhat better, envisions letting the two countries go their separate ways for a long time.

The favored alternative for Seoul is for reunification over the long term, perhaps by 2010, with South Korea working to improve North Korea's economy before the merger, in order to lessen the shock.

There are three stages envisioned for this approach, which assumes that the Commu-

nist command economy will before long give way to some kind of market-oriented reform. First, the two countries have to reconcile. Then they have to achieve prosperity separately, with South Korea's Government and industry helping to build up the North. Finally, when the economic gulf between the two nations has been narrowed, there would be reunification. "We have not even entered into the first stage," said Mr. Kil of the South's reunification institute.

There are economic advantages as well as costs to South Korea from a merger. It would mean a larger domestic market for Korean products. And southern companies, which are losing competitiveness in labor-intensive industries, could take advantage of a low-cost work force speaking the same language.

Many South Korean companies were eager to start ventures in the North a few years ago when it showed signs of opening its sealed economy. But South Korea's Government has put a halt to such activities until there is a resolution of the controversy regarding North Korea's nuclear weapons program.

While Kim Jong Il's ascendance has calmed some nerves here, the nightmare might still occur. Just because the 52-year-old son has assumed power doesn't mean he will be able to hold it.

But Mr. Yeon said that economic or political upheaval in North Korea need not mean the collapse of the country. "Still there will be North Korea, but the system itself will change," he said.

Mr. Yeon predicted that North Korea will be forced to change from a state-run to a market-oriented economy within three years, with Kim Jong Il either leading the transition or being kicked out to make way for it. As far as South Korea is concerned, if North Korea can reform itself and stick to its own side of the demilitarized zone while it does, that would be the best scenario of all.

## Who Resisted Hitler? Germans Can't Unite

By CRAIG R. WHITNEY

**G**ERMAN resistance to Hitler was fragmented and ultimately ineffectual; commemorating the resistance last week, today's Germans showed that in some ways they haven't yet found a way to live comfortably with even this aspect of their past.

For years after World War II, how Germans saw their few resistance heroes depended on where they stood politically. The Communists who fled to Moscow in the 1930's and later ruled East Germany recognized their own martyrs and acknowledged others only grudgingly. In the West, a few Social Democrats and the White Rose student resistance movement were honored, but even Chancellor Willy Brandt, who worked in the underground in Norway, was taunted years after by those who thought him a traitor.

This year, for the first time, a united Germany tried to pay unanimous and solemn tribute to a small group of Wehrmacht officers, most of them non-Nazi members of the aristocracy, who tried on July 20, 1944, to rid Germany of the man who was leading it to defeat and ruin.

But the shadow of the German past —

not only of the Third Reich, but of the 45-year partition that was one of its legacies — weighed heavily on the occasion, the 50th anniversary of Count Claus Schenk von Stauffenberg's failed attempt to assassinate Hitler. The count and scores of other officers and their families were arrested, and many were executed. For years after, many Germans did not know what to make of the dead. Were these unsung heroes, or were they traitors?

The perspective was clouded by the fact that during the early years of the Federal Republic, Chancellor Konrad Adenauer drew on Nazi cadres to help build Bonn's security and intelligence forces.

Last week, Adenauer's spiritual heir, Chancellor Helmut Kohl, tried to end the debate. "We are hon-

### Even a memorial for the officers' plot prompts a squabble.

oring today those brave men and women who undertook 50 years ago to end the rule of criminality in our fatherland," he said. "They were not many, but they were the best." Mr. Kohl's words did honor to the legacy of these courageous few Germans. But to his Social Democratic critics, his insistence on being the main speaker at the 50th anniversary did not.

Mr. Kohl is fighting for re-election on Oct. 16 against a Social Democrat, Rudolf Scharping, whom the Chancellor pointedly refused to invite to say a few words. Social Democratic and Communist victims of the resistance were commemorated in a separate ceremony.

President Roman Herzog, whose office is constitutionally above politics, later gave a reception for everybody. Many Germans felt he should have been the main speaker in the first place.



Count Claus Schenk von Stauffenberg

The New York Times



# The World

## Reason Left In the Dust As Refugees Pick Routes

By BARBARA CROSSETTE

IN the years of regional turbulence that have followed the cold war, international relief organizations have learned a couple of tragic lessons: unexpected, localized ethnic conflicts can be counted on to create refugee migrations of catastrophic proportions, and there is no way to predict where panicked people will go when the urge to flee overrides reason.

Rwanda has driven these bitter lessons home. When Hutus fearing retribution for the slaughter of Tutsis began to head into western Rwanda several weeks ago, the staff of the United Nations High Commissioner for Refugees — short of money after long crises in Burundi as well as Rwanda — thought those fleeing would gravitate toward a sanctuary within Rwanda established by French troops south of Lake Kivu. About 15 aid experts were in position there, anticipating a relief operation that would be run across the Zairian border from the town of Bakavu.

Instead, a horde of more than a million refugees raced northwest toward Goma, the worst possible choice. Volcanic rock around Goma makes the drilling of wells and the digging of latrines impossible in most places. The shortage of clean water and prevalence of human waste helped fuel a disastrous outbreak of cholera last week and the spread of other diseases.

"We had received word that they were going to go out through a different exit," said Barbara Francis of the refugee agency's Washington office. "We had prepositioned people and humanitarian goods in Bakavu. But it's one thing to be prepared; it's another thing to have a crystal ball."

"There's no science to this," said Stephen M. Johnson, president of AmeriCares, which is providing medical assistance to Rwandan refugees. "It's all human nature, and that's unpredictable. You just go out there and scramble as best you can."



Agence France-Press

Rwandan refugees crossing the border into Zaire.

For AmeriCares, the scramble last week included rounding up 10,000 cases of Gatorade as a donation to the relief effort. In the absence of other rehydration therapies, Mr. Johnson said, the drink provides needed salts and sugars. "It's the same ingredients you would get in an I.V.," he said, adding that Gatorade had been effective in Tanzania, where nearly half a million more Rwandans have sought refuge.

In a crisis, he believes, flexibility and ingenuity count. "Our job has not been to do the thinking on refugee trends but to hop on planes," he said.

Robert P. DeVecchi, president of the International Rescue Committee, agrees that quick responses are important.

But he also says that leaders of relief organizations and Sadako Ogata, the United Nations High Commissioner for Refugees — whom he credits with saving lives by not "splitting hairs" over whether people displaced by ethnic conflicts are migrants within their own countries or truly refugees — are nevertheless looking for ways to better predict refugee flows.

"But there's just so much you can do," he acknowledged. "More often than not, it's the refugee who decides when and where to go."

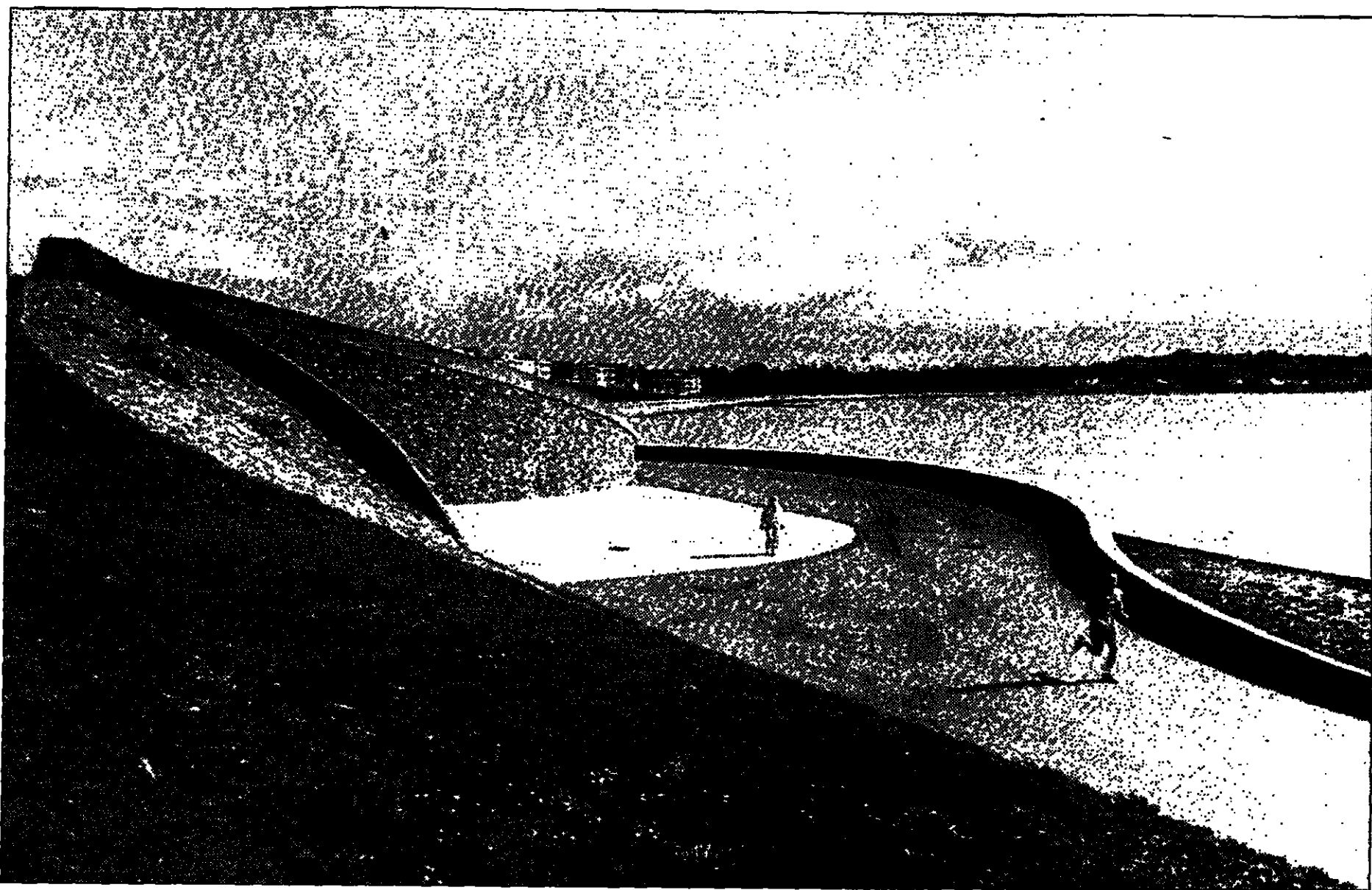
"The rapidity with which refugee crises have arisen over the last year make it almost impossible to do any long-range, sustained planning. Who would have predicted Rwanda a year ago? Who would have predicted the tragic course Bosnia has taken?"

Among relief experts, there is a universal sense that there will be more Rwandas, even if no one knows where.

"I guess the East-West conflict had a stabilizing element to it," said Mr. Johnson of AmeriCares. "Since the end of the cold war the number of these refugee crises has escalated dramatically."

Lionel Rosenblatt, president of Refugees International, thinks not only that there will be more crises but also that "flows of refugees will be in unexpected directions and on unexpected scales." He and others would like to see the United States military prepare to play as active a role in Rwanda and elsewhere as it played in saving the Kurds from Iraq's Saddam Hussein.

"We have got to rebuild our humanitarian response capacity from scratch," he said, shortly after returning from the Rwanda-Zaire border. "This is not where we want to be in 1994."



Clover Point pumping station, in Victoria, British Columbia, looks innocuous enough on the harbor's edge, but pumps raw sewage into the Strait of Juan de Fuca.

Catching Up to the U.S.

## Pollution in Canada? Believe It.

By CLYDE H. FARNSWORTH

**F**RAMED by three oceans, carved by the receding sheets of ice age glaciers, the world's second-largest country has great forests, crystal lakes and the bountiful granary of an endless prairie.

Canada: the very name calls up visions of snow-white peaks jutting into a clean blue sky, of wolf and moose and mink roaming the woods and plains as they did for eons before the British and French fought at Quebec to see who would reign over this vast land.

If images are to be believed, even Canada's cities seem like environmental paradises: Toronto, one of the cleanest metropolises in the hemisphere; Vancouver, one of the loveliest cities on the planet.

Many of Canada's 27 million people believe that their country has avoided much of the choking pollution and dehumanizing crowding that afflicts its huge neighbor to the South. It comes as a bit of a shock, then, to listen to leaders of the Cree community of the northern Manitoba village of Pukatawagan, who have been saying for months that their water is not fit to drink. After the ninth victim of a hepatitis outbreak was airlifted to a hospital two weeks ago, 300 Pukatawagan Crees began a protest march 400 miles south to Winnipeg.

The march was called off when the country's Indian Affairs Minister, Ron Irwin, flew to the area. He pledged \$8 million to overhaul the local sewage and water system. Shown the water supply that was making people ill, a startled Mr. Irwin said, "That stuff's raw sewage."

In a way, Mr. Irwin's surprise could be seen as symbolic. For the truth is that if Canada is decades behind the United States in polluting its land, air and water, it has also been complacent — even though pollution control is Canada's fifth-largest industry.

Most Canadians live within 100 miles of the United States. The frigid expanses stretching north 2,500 miles have little impact on their daily lives, which could explain why the plight of the Pukatawagan Cree attracted so little attention until the protest. "If you go to any of these communities, you're going to see the same problems," said James Dean, environmental health adviser for the Cree. The water contamination that made so many Cree ill was linked to a sewer discharge upstream

from Pukatawagan's water intake on the Churchill River. But raw sewage discharge also occurs farther south, in cities and towns along the Atlantic and Pacific coasts, like St. John's and smaller communities in Newfoundland, and in Halifax, Nova Scotia, and in Victoria, British Columbia. The reason: lack of money for treatment plants. Officials in those cities say the effect on the environment is negligible. The sea waters are generally too cold for swimming, the argument goes. Currents sweep the waste into deeper and even colder waters, where it disperses.

But on the West Coast, pollution has become an irritant between Canada and the United States, with Americans doing much of the complaining. Victoria is less than 20 miles across the Strait of Juan de Fuca from

**True, Canada has a lot more space and far fewer people than its giant neighbor. Maybe that's why Canadians were complacent.**

Washington State. Despite the complaints of people in Seattle and Port Angeles, Wash., voters of Victoria have consistently refused to authorize an investment in a sewage-treatment plant.

Although much of Canada is far removed from the smokestacks and sewers of industry, scientists are worried about an increasing variety of toxic contaminants, from pesticides to heavy metals, found in the snow, ice, water and air even in the Far North. And there are signs that the public is showing concern.

Some of Canada's environmental problems are not of its own making. Pollutants from around the world are carried north by rivers, ocean currents and atmospheric circulation. Because of reduced sunlight and extreme cold in the Far North, the chemicals break

down slowly, scientists say, and have already begun contaminating the Arctic food chain from plankton to polar bears. Canada's Eskimos are especially vulnerable because of their reliance for food on wildlife.

One pollution source is a remnant of the cold war. At abandoned air bases and radar outposts along the old Distant Early Warning Line, everything from unexploded bombs to garbage dumps containing polychlorinated biphenyls was left behind. Canada's Defense Department has just earmarked \$200 million over five years to clean up some of those hazardous wastes, although some officials say it may take three times that amount to undo the damage.

Environmentalists worry about pollution if diamonds are found in commercial quantities in the central Arctic. Some 200 mining companies have staked out 50 million acres north of Yellowknife in the Northwest Territories. Hundreds of camps have been built. Many grizzlies, wolves and caribou have been unsettled.

World Wildlife Fund Canada has just called for a moratorium on all mining activity until a broad environmental impact study is completed, a proposal that elicits little support from the mining companies.

MacMillan Bloedel Ltd., Canada's biggest logging company, has been locked in a yearlong struggle with environmentalists over clear-cutting old-growth cedar, hemlock, balsam and spruce in the formerly protected rain forests of Clayoquot Sound on British Columbia's Vancouver Island.

### Civil Disobedience

The Clayoquot confrontation produced what may be the largest civil disobedience action in Canadian history. Some 850 protesters, including Svend Robinson, a member of Parliament from a Vancouver suburb, have been arrested. Mr. Robinson faces up to five years in prison when he is sentenced on Tuesday.

MacMillan Bloedel says it is following the rules of the British Columbia Government, which supports the logging to boost economic activity. But protesters say all this comes at a terrible cost.

"Forestry still has not faced up to its responsibilities," said Henry Regier, professor of environmental studies at the University of Toronto. "There are many ways you can mess up this very fragile ecosystem."

## Remembering History yet Repeating It

Continued from page 1

ence of American troops also discouraged the continuing parade of civil wars and coups that had been routine in countries such as Haiti and Nicaragua. "The 19 years that the United States was in Haiti were the 19 best years of Haiti's entire existence," Mr. Muscant asserted. "We left that country a far, far better place than we found it."

But the United States also insisted on creating a professional constabulary to enforce public order, first in Panama and Haiti and later in the Dominican Republic and Nicaragua. The intention was to create an apolitical force that would guarantee that all parties played by the rules of the game. But those police forces quickly turned into armies, and that, in turn, paved the way for the emergence of despots such as Rafael Trujillo in the Dominican Republic, the Somoza dynasty in Nicaragua, and much later, Generals Omar Torrijos and Manuel Noriega in Panama.

### A Need to Return

Obviously, the citizenry of each country had the greatest difficulty in adapting to the system left by the United States when it withdrew. But those decisions have also come back to haunt later generations of American policy makers, and to foster further American involvement in the internal affairs of Caribbean countries. Even now, the United States finds itself in the awkward position of trying to secure the cooperation of Trujillo's protégé, Joaquín Balaguer, in preventing leaks in the economic sanctions against Haiti. Mr. Balaguer, who is now 87 and has been nearly blind for more than a decade, keeps getting elected President, most recently two months ago in an election where international observers accused his side of fraud.

And in country after country, the presence and the paternalistic attitude of American troops and military governors, no matter how noble their stated goals, wounded national pride and fomented a nationalist resistance. Augusto Sandino of Nicaragua is the most famous of such resistance leaders, thanks to the young guerrillas who half a century later would come to power invoking his name. Haiti had Charlemagne Peralte and

his army of irregulars known as "cacos," while in the Dominican Republic there was Vicente Evangelista and his "gavillero" movement. Both men were hunted down and killed during American occupations, while civil liberties were suspended and press censorship was in force.

Indeed, resistance was so widespread that the United States developed a corps of experts who moved from one country to another, snuffing out rebellions and imposing imported political structures. The Marine commander Smedley Butler, for instance, led forces in Panama, Haiti, Honduras and Nicaragua, and once likened the American role in the region to that of "trustees of a huge estate that belonged to minors." He later repented his actions and in a famous autobiography called himself a "racketeer for capitalism," who "helped in the raping of half a dozen Central American republics for the benefit of Wall Street."

Unfortunately, many of those who volunteered for such service had little respect or sympathy for the countries they ruled, did not understand the local language or culture and simply could not fathom the resentment their policies and attitudes, tinged with racism and condescension, generated. Woodrow Wilson's Secretary of State, William Jennings Bryan, once told the Haitian Ambassador in Washington that "the intelligent Haitians should feel gratified that it was the United States, rather than some other power whose motives might not be as unselfish as ours," that had chosen to occupy his country.

Given that legacy, if the United States should decide to invade Haiti again, it will be acting out of character. The last time United States troops landed on the island of Hispaniola, in the Dominican Republic in 1965, a civilian president elected with two-thirds of the popular vote after a long dictatorship, Juan Bosch, had been overthrown in a coup after only seven months in office and had been replaced by a military-dominated government. But when Lyndon Johnson sent in more than 20,000 troops, it was not to restore Mr. Bosch to power; it was to prevent the constitutional president from returning to office after his supporters began a rebellion. If G.I.'s go in this time, they will have the support of the Haitian people, at least initially. But that may not be enough to prevent history from repeating itself.



U.S. troops having their shoes shined in the Dominican Republic, 1965.



# The Nation

## In the Arithmetic of Health Care, It Pays to Aim for 100%

By ADAM CLYMER

FROM a distance, or on television, the argument about whether the nation's re-engineered health care system should include universal coverage may sound like just another Washington squabble about numbers: Does it mean that absolutely everybody would have medical insurance? Or 98 percent of Americans? Or 95? Or 91?

No, the dispute goes to both the mind and spirit of the health care issue. The spirit was tapped when President Clinton suggested to the nation's governors last week that he might settle for 95 percent or so. That enraged the people who think the nation has a moral obligation to see that everyone has health insurance.

But the mind is involved, too, because the major motivation for the Administration's effort to reshape the health care system is a sense of economic imperative: taming rampaging costs. And without universal coverage, its logic collapses.

The fresh arguments for universal coverage go beyond traditional Democrats' concern for the downtrodden to the New Democrats' concerns for the deficit and the efficiency of the economy. As Hillary Rodham Clinton put it last month, "At bottom, it is a question of economics."

The economic argument, spelled out last week by a sober cast of Administration economists led by Treasury Secretary Lloyd Bentsen, whom no one in Washington regards as flighty or emotional, goes this way:

Unless everybody (or as close as the country can get) is insured, it won't be possible to get the soaring costs of health care under control. Sure, there has been some moderation in health care inflation in the last year or so, but that has been out of fear of controls. Such restraint in the face of legislation has happened before;

when the legislation died, so did the restraint.

Without cost control the United States will continue spending much more on health care than other countries with whom it competes. This nation now spends 14 percent of its Gross Domestic Product on health care, with 20 percent in sight by the end of the century, and no other nation spends more than 10 percent. The economy is also handicapped when people are locked into their jobs by fear of losing insurance if they switch.

Costs cannot be controlled without universal coverage because the uninsured use the health care system uneconomically, forgoing relatively inexpensive preventive care and then going to expensive emergency rooms when they get sick. If the hospital cannot collect from the uninsured patient, as it usually cannot, it raises the charges on everyone else. People who have health insurance are paying 10 to 30 percent of their premiums to cover the costs of people who don't.

### Spreading the Burden

This is called cost-shifting, and everyone says it is a bad thing, even though the Federal Government itself contributes to the problem by reimbursing providers well below what they consider their true costs when they treat patients covered by Medicaid (the poor) and Medicare (the elderly). But as the health care system tries to become less costly, one company after another is refusing to pay rates that have been raised to cover the uninsured. That makes the reimbursements even more lopsided, threatening the future of the hospitals and doctors who treat the uninsured.

There is another cost argument for universal coverage: If insurance companies have to insure all comers, they won't have to spend (and pass on) billions in trying to figure out who is a good risk and who is not. This underwriting is expensive, especially for small groups

### Attainable or not, 'universal coverage' is more than a political slogan.

and for individual policies. There does not seem to be any agreement on how much underwriting adds to premium costs, with industry experts guessing it is 1 or 2 percent and Administration officials putting it much higher. But even 1 percent of the annual national health insurance bill is a lot.

Some Republicans say these arguments exaggerate the problems. Bill Kristol, the vogue Republican theoretician, contends that insurance companies can impose waiting periods that would discourage people from getting insurance only when they get sick. He says he foresees only "a small increase in the cost of insurance for everyone. That's a reasonable price for all of us to pay." With insurance already unaffordable for millions of Americans, it isn't clear just who Mr. Kristol's "us" is. Senator Christopher N. Bond, a Missouri Republican, said it is easy enough to avoid shifting the costs of medical care for the uninsured; just don't provide them with anything but real emergency care if they cannot pay for it.

The traditional Congressional road out of a difficult dispute, trying to pass a minimum bill and claiming great credit for it, retains considerable appeal. On health that approach would involve insurance law changes and some subsidies for the working poor, or at least the working very poor. But in recent days Administration backers believe they have been making political head-

way with the argument that partial reform could hurt the middle class, help the poor, and leave the rich alone.

Some of the advocates of incremental change never believed in pushing for required universal coverage, often because they found the most obvious way to get there, requiring employers to pay for their workers' insurance, politically unacceptable.

Others did favor universal coverage, but have given up. Senator John C. Danforth, another Missouri Republican, said: "I don't think it's worth the fight. I think we can get close enough" with a bill the Senate Finance Committee approved that relies on insurance reforms, on taxes on expensive health policies to discourage excess use, and on subsidies if the money can be found.

Of course, no one knows whether that bill would get to "close enough," or even what "close enough" is — at what point short of 100 percent coverage, the problems with partial reform would dissipate.

And even if the Administration's motivation is economic, the social policy arguments matter, too, and stir the emotions of supporters. To critics like Mr. Kristol or Representative Dick Armey of Texas, the No. 3 House Republican, required universal coverage involves too much government. To Mr. Armey, it is a "laudable" idea that every American have health insurance. But once you make it compulsory, he said, he's "troubled by the coercion and pre-emption of individual rights" inherent in a central government decision about what level of insurance Americans need and how they must get it.

The emotional argument for universal coverage is rarely expressed with more fervor than by Senator Edward M. Kennedy of Massachusetts. This month he told supporters, "We have to take action, and take it now, to insure that we are going to have a universal health care program that is going to reach out to every American." He added, "It is morally right."

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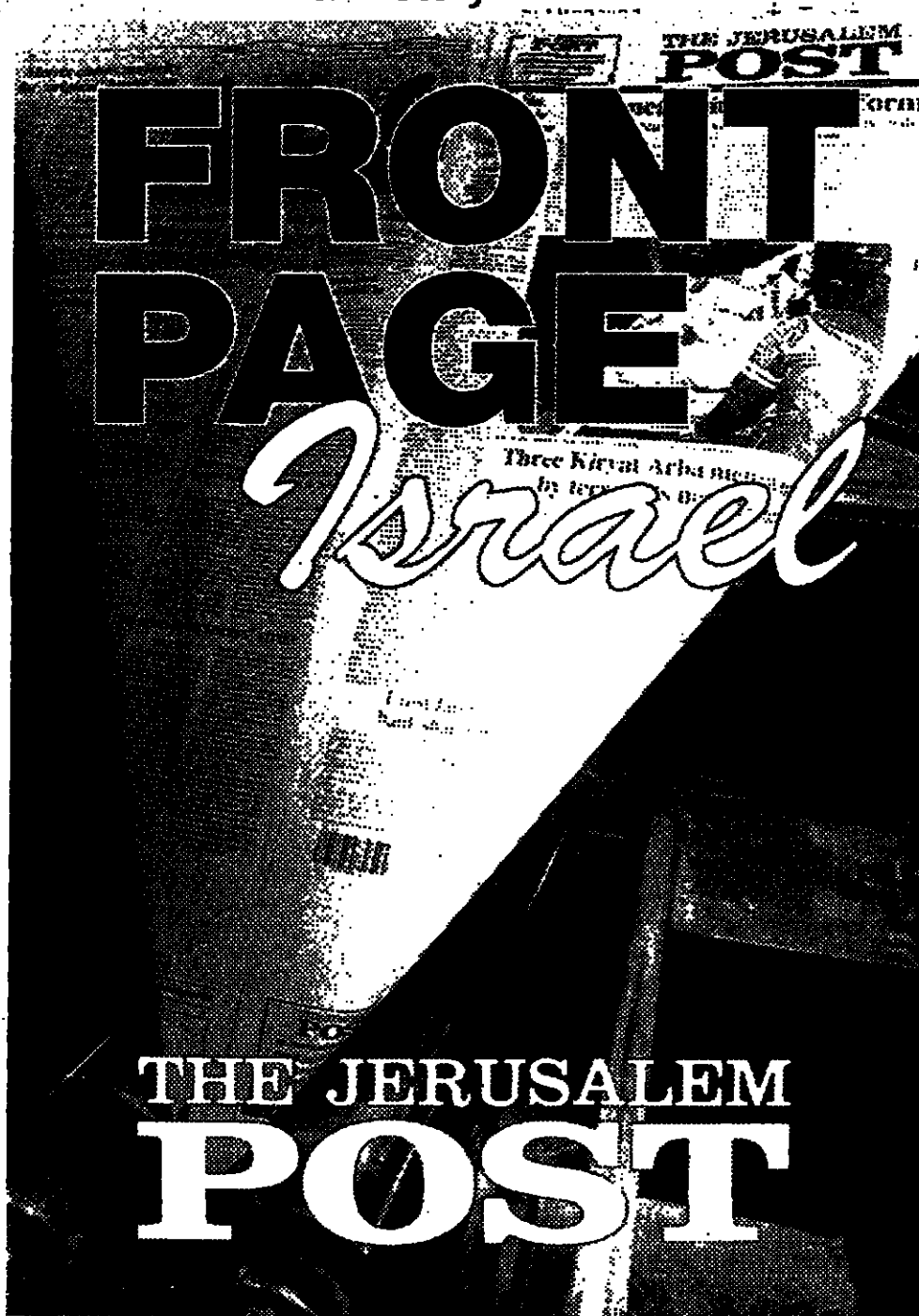
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## New Disorder: It's Boyhood

Continued from page 1

brain, locking a lot of the wiring in place early on; a girl's hormonal bath keeps her brain supple far longer. The result is that the infant male brain is a bit less flexible, less able to repair itself after slight injury that might come, for example, during the arduous trek down the birth canal. Hence, boys may well suffer disproportionately from behavioral disorders for reasons unrelated to cultural expectations.

However, biological insights can only go so far in explaining why American boyhood is coming to be seen as a state of proto-disease. After all, the brains of boys in other countries also were exposed to testosterone in utero, yet non-American doctors are highly unlikely to diagnose a wild boy as having a conduct disorder or ADHD.

"British psychiatrists require a very severe form of hyperactivity before they'll see it as a problem," said Dr. Paul R. McHugh, chairman and director of psychiatry at the Johns Hopkins School of Medicine in Baltimore. "Unless a child is so clearly disturbed that he goes at it until he falls asleep in an inappropriate place like a wastebasket or a drawer, and then wakes up and starts it all over again, he won't be put on medication." Partly as a result of this sharp difference in attitudes, the use of Ritalin-like medications has remained fairly stable in Britain, while pharmaceutical companies here have bumped up production by 250 percent since 1991.

Perhaps part of the reason why boyish behavior is suspect these days is Americans' obsessive fear of crime. "We're all really terrified of violence," said Dr. Edward Hallowell, a child psychiatrist at Harvard. "Groups of people who have trouble containing aggression come under suspicion." And what group has more trouble containing aggression than males under the age of 21? Such suspiciousness is not helped by the fact that the rate of violent crime has climbed most steeply among the young, and that everybody seems to own a gun or know where to steal one. Sure, it's perfectly natural for boys to roll around in the dirt fighting and punching and kicking; but toss a firearm into the equation, and suddenly no level of aggression looks healthy.

### Jokesters, Beware

Another cause for the intolerance of boyish behavior is the current school system. It is more group-oriented than ever before, leaving little room for the jokester, the tough, the tortured individualist. American children are said to be excessively coddled and undisciplined, yet in fact they spend less time than their European or Japanese counterparts at recess, where kids can burn off the manic energy they've stored up while trapped in the classroom. Because boys have a somewhat higher average metabolism than do girls, they are likely to become more fidgety when forced to sit still and study.

The climate is not likely to improve for the world's Sawyers or Finns or James Deans or any other excessively colorful and unruly specimens of boyhood. Charlotte Tomaino, a clinical neuropsychologist in White Plains, notes that the road to success in this life has gotten increasingly narrow in recent years. "The person who used to have greater latitude in doing one thing and moving onto another suddenly is the person who can't hold a job," she said. "We define success as what you produce, how well you compete, how well you keep up with the tremendous cognitive and technical demands put upon you." The person who will thrive is not the restless version of a human tectonic plate, but the one who can sit still, concentrate and do his job for the 10, 12, 14 hours a day required.

A generation or two ago, a guy with a learning disability — or an ornery temperament — could drop out of school, pick up a trade and become, say, the best bridge builder in town. Now, if a guy cannot at the very least manage to finish college, the surging, roaring, indifferent Mississippi of the world's economy is likely to take his little raft, and break it into bits.



Lee Romero: The New York Times  
A boy having fun, or a candidate for Ritalin?

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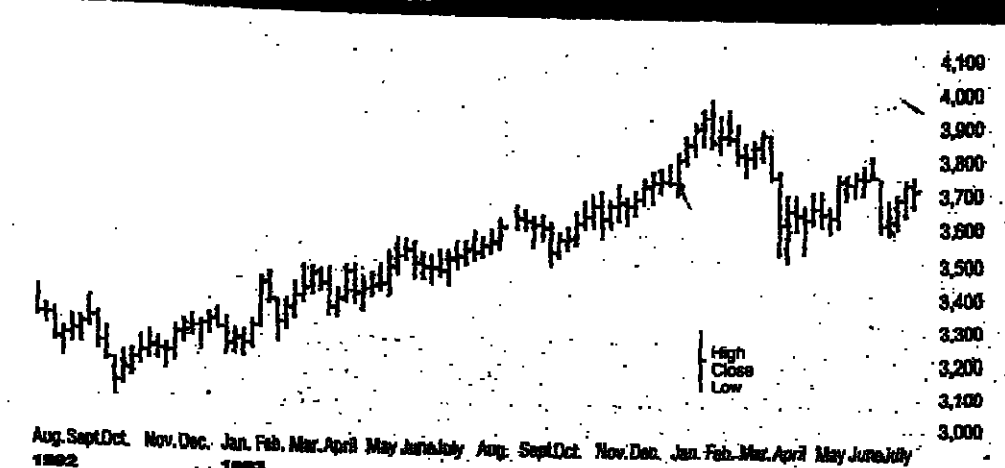
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## The Stock Markets Last Week

## DOW JONES INDUSTRIAL AVERAGE



MARKET INDEXES	Close	Chg	%Chg	YTD %
D. J. Indust	3,735.04	+18.77	+0.50	+0.51
D. J. Transp	1,606.58	+4.60	+0.29	+8.84
D. J. Util	183.10	+0.13	+0.07	+20.15
S&P 500	453.11	+1.05	+0.23	+2.86
S&P Indust	528.49	+0.48	+0.09	+2.17
NYSE Comp	250.24	+0.82	+0.33	+3.41
Nasdaq	716.68	+4.68	+0.65	+7.74
Amex	433.45	+1.90	+0.44	+9.16
Russell 2000	243.33	+2.29	+0.93	+5.90
Wilshire 5000	4,481.77	+17.61	+0.39	+3.78
Value Line	299.03	+1.22	+0.43	+5.16

MARKET DIARY	NYSE	NASDAQ	AMEX
Advanced	1,165	2,047	380
Declined	1,437	2,362	421
Unchanged	392	881	197
Issues Traded	2,994	5,290	998
New Highs	125	176	26
New Lows	173	198	57

## New York Stock Exchange

MOST ACTIVE	Vol. (00)	Last	Chg.	Pct.
Compq s	247,563	30 1/4	+ 3/4	
IBM	191,730	61 1/4	+ 1/2	
Telef	147,728	41 1/4	+ 1/4	
Ches	121,033	37 1/2	+ 1/4	
TeleMex	112,412	57 1/4	+ 1 1/4	
McDorl s	111,367	26 1/4	+ 3/8	
PepsiCo	106,545	30 1/4	+ 1/4	
Humana	100,541	18 1/4	+ 1/4	
WMK Tech	100,079	28	+ 1/4	
Citip	99,052	40 1/4	+ 1 1/2	
WalMart	97,178	25 1/4	+ 1/2	
FordM	93,776	31 1/4	+ 1/2	
Genl s	89,355	49 1/4	+ 1 1/4	
AT&T	88,241	54 1/4	+ 1/4	
TeleNZ x	85,979	44 1/4	+ 3/4	

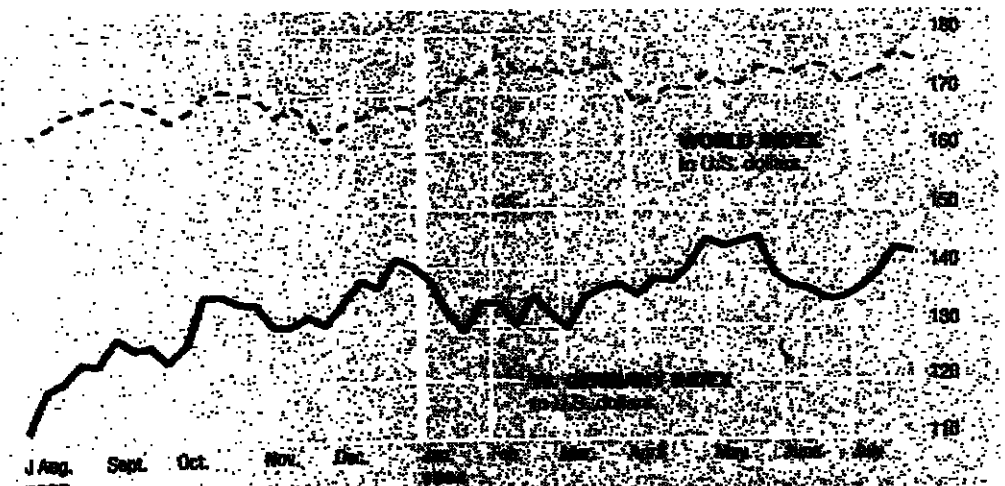
## Nasdaq

MOST ACTIVE	Vol. (00)	Last	Chg.	Pct.
Micr s	356,993	50 1/4	+ 1 1/4	
Intel	261,750	57 1/4	+ 1 1/4	
Sybase s	186,027	38 1/4	+ 1/4	
Cybase s	178,294	20 1/2	+ 1/4	
DB Cm s	159,543	10 1/4	+ 1/2	
Lorus	155,524	31 1/4	+ 1/4	
IntgDv	145,415	19	+ 1/4	
Qumt	136,681	15 1/4	+ 1/4	
AppleC	122,528	31	+ 1/4	
DSC s	116,780	24 1/4	+ 1	

## American Stock Exchange

MOST ACTIVE	Vol. (00)	Last	Chg.	Pct.
XCL	57,967	1 1/4	+ 1/8	
ChryS s	41,012	7 1/4	+ 1/4	
EchoBy	29,172	11 1/2	+ 1/2	
AmExpl	26,731	1 1/4	+ 1/4	
Viacom B	23,199	33 1/4	+ 1 1/4	

## World Stock Markets



Prepared by Goldman, Sachs & Co. using data derived from the FT Actuarial World Indices, a measure of stock market performance. The FT Indices are compiled jointly by The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Ltd. In conjunction with the Institute of Actuaries and the Faculty of Actuaries.

Country	PERFORMANCE IN U.S. DOLLARS				IN LOCAL CURRENCY			
	Index	Week % Chg.	Rank	YTD % Chg.	Index	Week % Chg.	Rank	YTD % Chg.
Australia	173.71	0.4	9	4.1	10	3.54	155.86	-4.7
Austria	184.73	-1.8	21	-0.1	15	1.04	153.37	-7.9
Belgium	169.89	-0.3	16	4.5	9	4.02	137.59	-5.1
Britain	193.96	-0.6	20	-5.4	19	4.02	188.21	-8.4
Canada	127.77	-0.1	13	-5.9	20	2.66	127.50	-2.1
Denmark	271.55	0.6	6	9.9	6	1.28	231.17	1.2
Finland	198.28	2.0	3	28.5	2	0.81	175.13	17.0
France	172.72	1.0	4	-1.8	17	2.97	147.89	-9.3
Germany	142.56	-0.5	17	1.7	12	-1.75	118.25	-6.6
Hong Kong	372.08	0.2	11	-24.0	24	3.21	389.05	-24.0
Ireland	198.40	0.2	12	7.1	7	3.29	185.56	0.2
Italy	88.79	0.5	8	29.5	1	1.44	105.04	19.8
Japan	165.19	-2.8	18	26.9	3	0.74	103.08	12.3
Malaysia	472.54	-0.6	22	-20.7	23	1.89	705.06	-13.1
Mexico	1894.17	-2.0	22	3.5	11	3.37	168.40	-4.8
Netherlands	206.08	0.5	7	1.2	14	3.97	60.27	-6.5
New Zealand	68.71	2.0	5	14.4	4	1.70	193.93	5.8
Norway	205.46	1.0	5	-7.0	21	1.77	238.01	-12.7
Singapore	341.65	-0.2	14	6.0	8	2.24	283.52	13.2
South Africa	283.22	-3.1	24	1.3	13	4.01	140.68	-6.8
Spain	141.14	-0.6	19	10.5	5	1.59	251.83	3.8
Sweden	216.96	2.2	1	-1.7	19	1.84	131.92	-10.5
Switzerland	157.39	0.3	10	-2.6	3	2.90	184.94	-2.6
United States	184.94	-0.2	15					

## COMPOSITE INDEXES

Index	Week % Chg.	Rank	YTD % Chg.
Europe	169.93	-0.0	10.5
Europe/Pacific	171.38	-1.4	4.9
World	175.42	-1.0	

Source: Goldman, Sachs & Co. Exchange rates as of Friday's London close.

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## The Economy

## Aviation History, Frozen

It all started with Penn Station. When it was torn down in the early 60's, the public snapped to attention and said, Hold it! We can't let architecture's past glories slip away so easily. And the Landmarks Preservation Commission was born. Grand Central has since joined the protected-species list, and last week another travel landmark was added: T.W.A.'s soaring, birdlike terminal at Kennedy Airport. The trouble is, the terminal was built in 1962, back in aviation's Pliocene age; air travel is a far different bird today. The terminal is "functionally obsolete," said a T.W.A. lawyer, asserting that the landmark designation keeps the airline from modernizing it. Then again, Penn Station was "modernized"; now look at it.



The T.W.A. terminal at Kennedy.

## Inflation on His Mind

July may be in full drip, but Alan Greenspan is not about to let the markets relax about interest rates. He doesn't want anyone to think he's scrapped the idea of more increases just because the Federal Reserve didn't raise rates at its policy-making meeting earlier this month. So last week, he told the Senate Banking Committee that the Fed's actions so far this year — four straight rate increases — just may not be enough to keep inflation in its cage. He also insisted that rates too high would be preferable to rates too low. The markets got the message loud and clear — that inflation is so much on Mr. Greenspan's mind that an increase is sure to come soon — and stock and bond prices fell sharply that day.

## Beep Me Out to the Ball Game

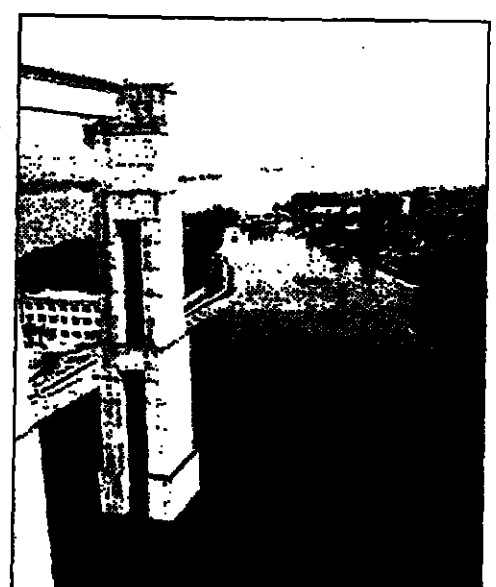
Oh, the things that are done in the name of that great god Information. O.K., perhaps beepers and their cousins mark a small step for civilization when they carry news, say, that a husband or lapdog has breathed its last. But baseball plays? Yes, indeed. This nation truly wants to know, NOW, of each batter's swing, each pitcher's grunt, so Motorola has stepped to the rescue. Last week it unveiled the first American version of its Sports Trax, a device the size of a pocket calculator that — when you're far from the game — tells you instantly who's on first, who just hit what. All the facts that provide life support for the true baseball fan.

## The QVC Plot Thickens

Meanwhile, back at QVC, things are getting more interesting — and more complicated. John Malone, head of Tele-Communications Inc., must have gotten out his calculator and realized there'd be a big capital-gains bite if Comcast wanted to buy QVC. Liberty Media, a T.C.I. spinoff, owns 18 percent of QVC and would be forced to cash in, at a huge (taxable) profit. So last week Liberty got into the act, joining Comcast in its \$2.2 billion bid. So, tallying it up: Liberty would retain its investment, avoiding gains taxes; QVC would get all cash, not cash and stock; cable folks would get a bit more control of programming; and Barry Diller, head of QVC, would walk away with \$100 million. And everyone else would be left struggling to sort it all out.

## Great Swoosh Forward

China has to think big. It's got 1.2 billion people to worry about — probably 1.6 billion within a generation. So now the land of the Great Wall may also be home to the Great Aqueduct. To keep Beijing from drying up, China has proposed an 860-mile aqueduct — the distance from Washington to the Mississippi — to deliver water to the capital. It would be one of the largest public-works projects ever and would carry seven times the water used by New York City. At a cost of billions of dollars, though, it may be a hard sell in a nation trying mightily to get its economic balance.

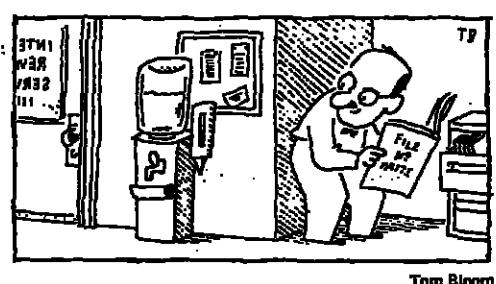


Patrick E. Tyler/The New York Times

Danjiangkou, a long way from Beijing.

## At the I.R.S., Just Looking

Thanks to the wonders of the computer age, 56,000 I.R.S. employees — roughly half of the agency's workers — have the ability to peek at individuals' tax returns. Small wonder that some of them, apparently, have not resisted the temptation to snoop on the financial secrets of friends and foes, ex-spouses and future in-laws. But the I.R.S. has been hunting down these Peeping Toms (and Thomasinas), and last week it disclosed that more than 1,300 of the agency's employees had been investigated since 1989. About a third of those 1,300 have faced some consequences, and some will never darken a taxpayer's deductions again.



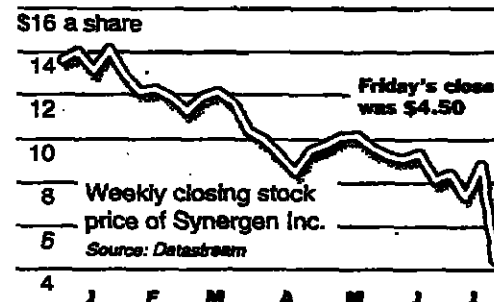
Tom Bloom

## Honda, World Citizen

Honda does not want to be a Japanese car maker — not in our eyes, anyway. When Americans think "Japanese car maker," they quickly think of trade deficits, of long-suffering Detroit, and their protectionist blood boils. No, Honda wants to be a global car maker. It was the first Japanese company to build cars here, and last week it plunged further along that road, announcing a \$310 million expansion of its production capacity in North America over the next three years. Of course, the yen's rise cannot be ignored in the equation; if Honda can build cars for dollars it'll be a lot easier to sell them for dollars.

## A Failed Biotech Dream

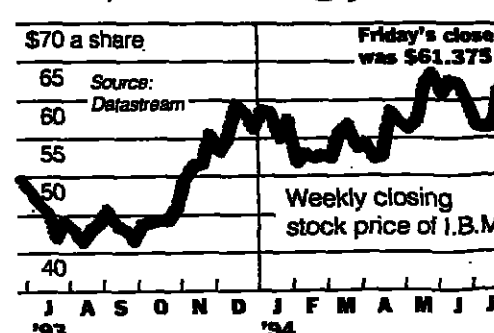
Biotechnology. So, so recently, that word could turn a sober investor into a gambler with whirling dollar signs for eyes. Just look at Synergen. Two years ago, this small company's anti-sepsis drug, Antril, stirred such hopes of riches that its stock hit \$67, giving it a serious market value, \$1.7 billion. In February, though, Synergen said early test data showed serious limitations, and its stock plunged. Then last week came perhaps the final blow, as the company halted human trials of Antril, and the stock lost half its remaining value.



## CBS for Sale? Nonsense!

What a difference a failed merger makes. When CBS and QVC were about to waltz off together into the new-media future, Laurence Tisch seemed very much the elder statesman — glad to be moving on, thank you; let this fellow Diller, with his fancy ideas, have a go at it. But after the QVC deal collapsed and talk bubbled up of CBS being for sale, Mr. Tisch recoiled from this beggling-bowl image. Last week, saying he'd found "renewed energy," Mr. Tisch said CBS was not for sale, and his words were sharp: "Unequivocal." "Absolutely no intention."

## I.B.M., Lean and Hungry



I.B.M. has proved, again, that it can tighten its belt. When it posted yet another surprisingly good earnings report last week, cost cuts took the curtains. And when it's I.B.M., even a humbler I.B.M., the numbers are still big: it said it had reduced its expenses by \$4.8 billion and now had a goal of \$8 billion in cuts, not \$7 billion. This pushed it to a \$689 million quarterly profit, which sent its stock soaring \$6.50 in a day. For its next trick, though, if it ever again expects to qualify as a mighty growth company, it will have to get its revenues jumping — "that's the part you don't have visibility on yet," said one analyst.

## Mutual Fund on Wheels

Kansas City Southern will have to get a new name soon. In 1962, its eye firmly on the future, it started looking beyond its railroad business and making forays into the mutual fund game. And last week it severed the last ties with its past, selling its railroad to Illinois Central for about \$1.6 billion, a deal that will create the nation's eighth-largest railroad. But now, Kansas City Southern somehow doesn't seem the right name for a company devoted to mutual funds.

## World Markets/Ferdinand Protzman

## In Berlin, the Future Faces the East

LITTLE more than a backwater bourse since the end of World War II, the Berlin Stock Exchange sprang to life last year, with turnover in stocks and bonds soaring an astonishing 220 percent from 1992. Although that explosive growth will not be repeated this year, volume has continued to rise.

True, Berlin is unlikely to ever replace Frankfurt as Germany's leading financial center. But the Berlin Stock Exchange is expected to become increasingly attractive, for a number of reasons.

A chief reason for an optimistic outlook is the fact that Parliament last year finally set the date for moving the seat of government to Berlin from Bonn, eliminating any lingering doubts about the German leadership's commitment to the move.

Scheduled to begin in 1998, the move is expected to prompt many German and foreign banks to establish representative offices here. A number of eastern European banks have already done so, enhancing Berlin's growing status as a gateway to the eastern European market.

The city and its stock market are also well-positioned to reap the benefits stemming from the reconstruction of Eastern Germany and the growing need for financing in the region's emerging private sector.

Isopold Tröbinger, the president of the Berlin Stock Exchange, believes a host of companies in Eastern Germany will be in position to issue stock by the decade's end.

"I estimate that 300 to 500 medium-sized eastern German concerns will be ready to issue shares in three to five years," Mr. Tröbinger said.

He concedes, however, that whether those companies will actually issue shares and whether they will do so on the Berlin exchange is "another question."

But one of the strategic objectives of the Berlin Stock Exchange is informing potential eastern German issuers about the opportunities of going public, and assisting them in the enterprise, exchange officials said.

Berliner Spezialflug A.G., the successor to the former East German state airline, Interflug, was the first, and so far only, eastern

German company to issue shares. The stock has had a bumpy ride since it was issued on Aug. 23, 1993, at a price of 70 German marks. After climbing to 100.00 marks earlier this year, Berliner Spezialflug's price has hovered around 65 marks, or about \$41 current exchange rates.

The Berlin exchange has focused on becoming a center for over-the-counter trading, particularly in foreign shares.

Some 500 companies are listed on Berlin's over-the-counter market. About 125 of them are non-German, and of those 110 are American, including Omega Environmental, Datapoint and National Patent. Omega began trading in May 1993, and had turnover of about \$441 million during the last year.

The Berlin Stock Exchange was founded on June 19, 1885, by Crown Prince Friedrich Wilhelm of Prussia. Its heyday did not arrive until the 1920's, however, when it became — for a time at least — the most important stock exchange in Germany, if not in all of Europe.

In 1993, turnover on the Berlin Stock Exchange reached its highest level of the post-war era, rising 220 percent to \$136 billion. Bond transactions accounted for 74.7 percent of that total, while stock turnover rose 85 percent to \$34.5 billion from the previous year.

## Currency

	Last Week	Prior Week	Year Ago
Japanese Yen per Dollar	98.90	97.83	107.04
German Mark per Dollar	1.5960	1.5534	1.7195
Canadian Dollar per U.S. Dollar	1.3773	1.3772	1.2805
British Pound per U.S. Dollar	1.5270	1.5617	1.5045
Gold	\$384.90	\$386.00	\$390.10
Republic National Bank			
Currency: Friday NY Close			

"With that, Berlin finally made the jump into the middle of the pack among Germany's stock markets," said Jörg Walter, the chief executive of the Berlin Stock Market. There are eight stock exchanges in Germany, located in Stuttgart, Munich, Berlin, Bremen, Frankfurt am Main, Hamburg, Hanover and Düsseldorf.

In the first half of this year, turnover continued to rise, reaching 117.6 billion marks, a new first-half record and an increase of 26.6 percent from the year-earlier period. The most-traded shares constitute a who's who of German industry: Siemens A.G., the nation's biggest electronics group; Deutsche Bank A.G., the largest commercial bank; auto maker Volkswagen A.G., and Schering A.G., one of Germany's leading pharmaceutical and chemical groups, which is based here.

Impressive as Berlin's performance has been, however, its exchange still accounts for only 3.5 percent of Germany's stock turnover, compared to the Frankfurt Stock Exchange's 75 percent.

Critics of Germany's regional exchanges say investors would be better served if the nation would consolidate all equities trading in one place: Frankfurt.

But Mr. Tröbinger argues that exchanges like Berlin have a key role to play in servicing the needs of smaller, regional companies for fresh capital and in serving local investors.

Berlin has invested in a new, computerized order routing system that went on-line in August of last year and has expedited execution of trades.

The exchange will also move into new quarters in 1995, in the Berlin Chamber of Commerce's new service center in downtown western Berlin's Fasanenstrasse. Improved technology and comfort, rather than lack of space, are the main reasons for the move.

Although turnover is soaring, the trend toward computer trading means fewer people work on the trading floor, so the new Berlin Stock Exchange will be physically smaller than the current one.

But that exchange officials say, is a case of less being more.



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## Whitewater, Now on Capitol Hill

George Stephanopoulos will be there, as will Thomas McLarty, Harold Ickes and Bernard Nussbaum, the deposed White House counsel. The Treasury Department will send Secretary Lloyd Bentsen and his deputy, Roger Altman. The Whitewater hearings that begin this week in the House and Senate Banking Committees will draw the largest collection of senior executive-branch officials since Watergate two decades ago.

The allegations surrounding Whitewater have not, of course, risen to Watergate levels; nobody in the Clinton Administration has been charged with a crime. Yet there is a rough similarity between the central question then and now: whether people in positions of public trust manipulated the machinery of government to deflect the truth.

It is important to be clear about what these hearings can and cannot do. Because Congress has agreed to restrictions requested by Robert Fiske, the independent counsel, the hearings will not touch, except obliquely, on Whitewater's intriguing "Arkansas" dimensions: whether, for example, Madison Guaranty Savings and Loan received favorable treatment from Arkansas regulators, increasing the cost of its eventual collapse; whether Madison funds were used to pay off Mr. Clinton's 1984 campaign debts; whether Madison funds were diverted to the Whitewater Development Company, in which the Clintons had a 50 percent interest.

Mr. Fiske is still investigating these and other Arkansas-related questions, and Congress has agreed to avoid them until he finishes. It has also agreed for the same reason to defer questions about the way in which Mr. Nussbaum disposed of Whitewater files belonging to Vincent Foster, the deputy White House counsel, after he committed suicide last July.

Whitewater's "Washington" phase, to which the hearings have now been restricted, is nevertheless of great interest. The Democratic committee chairmen have an obligation to permit vigorous questioning even if it further exposes one of the most unattractive aspects of this Administration — its propensity for sloppy conflicts of interest and its meddling with the independence of regulatory and law enforcement agencies.

At issue are at least 20 telephone conversations

and meetings involving Treasury and White House officials. The Administration has admitted to six. Among them were two meetings last fall at which Jean Hanson, Treasury's general counsel, briefed Mr. Clinton's subordinates on the Resolution Trust Corporation investigations into Madison, which had named the Clintons as "possible beneficiaries" of illegal acts by the Arkansas savings and loan. Then, on Feb. 2, Mr. Altman gave White House aides a "heads up" on the same investigation.

Mr. Fiske has concluded that no official acted "with intent to corruptly influence" the R.T.C. investigation. He also said that it was not his job to pass judgment on the "ethics" of the contacts. That, of course, is the job confronting the two committees. As this page has said before, an action does not have to rise to the level of criminality to be labeled stupid, irresponsible and improper. That seems a fair description of the activities of sworn public servants who, at the least, were mucking around in government departments to try to control inquiries into the President's finances.

The hearings will also address truth-telling. Mr. Altman has testified that he did not know that Ms. Hanson twice briefed the White House last fall. Ms. Hanson, according to Congressional sources, has now told the Senate committee that Mr. Altman instructed her to do so. She also told Congress that Mr. Bentsen knew a lot more than he has acknowledged.

The Democratic chairmen have an interest in containing political damage. They also have the right, given their pledge to Mr. Fiske, to prevent Republicans from delving into the Arkansas dealings. But questions aimed at the ethical behavior of Mr. Clinton's people should be allowed to flow freely.

James Carville, a Clinton strategist, once described Whitewater as a trivial "bunch of foolishness." The Administration's recorded contempt for the rules of governance is not a trivial matter. Moreover, Mr. Clinton came to Washington promising to end the casual conflicts, favoritism and insider deals of the Reagan-Bush years. The very existence of these hearings attests that he has done little to honor that commitment.

## War Fever Over Haiti

President Clinton, feeling less pressure from refugees and sensing opposition at home, is having second thoughts about the urgency of invading Haiti. First, he wants a new, Desert Storm-style United Nations resolution that he hopes can persuade Gen. Raoul Cédras and his cronies to leave on their own. Yet the U.N. strategy, which would authorize member countries to use "all necessary means" to restore President Aristide to power and disarm his opponents, also relies on the logic of a military solution.

Meanwhile, U.S. forces conspicuously practice invasion preparations off the Haitian coast and White House and State Department aides pepper the airwaves with pointed warnings. Federal prosecutors investigate drug charges against Haitian military leaders in ways that are certain to recall the indictment of Manuel Noriega that became a key justification for the 1989 invasion of Panama.

Physically removing General Cédras and his cronies from Haiti should be easy work for a large enough expeditionary force. But then what? Military force is a notoriously blunt instrument for solving political problems.

Unlike many opponents of military intervention, this page fully endorses the return of President Aristide to power and harbors no illusions about the intentions of General Cédras and his murderous cohorts. But invasions, even of small countries with weak armies, are not a rational solution to Presidential frustration, the need to look tough or lack of other ideas. To invade would be an irresponsible use of the world's most formidable military force.

The Administration hopes for a U.N. vote this week. But it will take another month at least to recruit countries to join in an invasion and a subsequent peacekeeping force. Administration hawks should use the delay to throw off their war fever.

The Clinton Administration has yet to present compelling arguments that invading Haiti is in the best interests of the United States. Human rights are being massively and flagrantly abused. But over the long months when Washington looked the other way for fear of having to grant asylum to fleeing refugees, the terror was almost as bad. Similarly, drug allegations have been kicking around for years, but until very recently, Washington seemed eager to talk down their significance.

The surge of refugee departures has fallen off drastically in recent days, since Washington began denying boat people any chance of entry to the U.S., while providing safe havens elsewhere. At last, the Administration has found a politically sustainable refugee policy.

Meanwhile, public opinion remains skeptical or downright hostile to the use of U.S. military force in Haiti. The Constitution and the precedent established in the Persian Gulf war would require Congressional, not just U.N., approval for an invasion.

Horrible things are going on in Haiti. Democracy has been hijacked. People are being terrorized and a pitiful economy is being strangled. These are good reasons to put the strongest diplomatic and economic pressure on the junta and to provide sanctuary to fleeing refugees. They are not good reasons to send in the Marines.

## Old New York

One way to spend a summer afternoon in New York is among the splendidly dressed women, most of them monuments to conspicuous consumption, and well-groomed men, most of them portly, who line the second-floor walls of the National Academy of Design until Oct. 30. They were citizens of Edith Wharton's world, and today they seem to gaze at their viewers with the arrogance of warlords. Why not? This city was their turf, as surely their heritage as Aunt Gertrude's diamond parure.

Another way to spend a summer afternoon in New York, or anyplace for that matter, is to spend it with two novels. Caleb Carr's "The Alienist" is set in 1896, when Edith Wharton was 34 and living on Park Avenue with her husband, Teddy. E. L. Doctorow's "The Waterworks" is set in 1871, when Mrs. Wharton, then Edith Jones, was a 9-year-old touring Europe with her wealthy parents.

Theodore Roosevelt, one of the portly men on the museum's walls (wearing a cape that resembles the one his cousin Franklin wore at Yalta), is a character in "The Alienist." But the verminous world he lives in there, and the similarly verminous world of "The Waterworks," is far from the world he lived in as Edith Wharton's friend. Both, however, are part of New York — as it was then, and as it is now. As ever, multitudes of people exist here in

often unnerving proximity; as ever the streets teem with traffic, and shouts and pedestrians crossing when wisdom dictates otherwise.

Those streets still bear the same names, the same great weight of humanity as they did when Boss Tweed — a presence in "The Waterworks" as well as in real-life New York — was king of the kickback. The Washington Square that Wharton knew, that Tweed knew, that the fictional New York Times reporter who narrates "The Alienist" lived on, survives at the foot of Fifth Avenue. The wet gray light of Childre Hassam's 1890 painting of horse-drawn cabs, in the museum show, is the wet gray light of any New York rainy afternoon.

"The soul of the city was always my subject," Mr. Doctorow's narrator says, "and it was a rolling soul, twisting and turning over on itself, forming and re-forming, gathering into itself and opening out again like a blown cloud." The enormous, raised reservoir on which that young man strolled is long gone, as is the Metropolitan Opera House of "The Alienist" and, only a few years ago, the mansion — by then unrecognizable as such — in which young Edith Jones made her debut. So, too, is the confidence with which those men and women on the academy's walls gazed at their New York. But the soul of the city? Still rolling.

## How to Get the Dollar Off This Roller Coaster

To the Editor:

After the Federal Reserve and other central banks bought billions of American dollars with Japanese yen, German marks and other currencies to shore up the value of the dollar in late June, the dollar kept sliding (news article, July 12.) Central banks have thus absorbed huge losses, at taxpayer expense.

Two years ago, the British Treasury lost about \$20 billion in a few days in a vain effort to maintain a rigid exchange rate for the pound. Fortunately, the Federal Reserve decided not to intervene further and incur even greater losses.

Greater stability of exchange rates would be desirable, to facilitate international trade and economic cooperation. But for central banks to buy huge amounts of a declining currency, when everybody else is trying to

sell it, is not the best approach. It puts an unfair burden on the taxpayers. More than 20 years ago, the economist James Tobin proposed a better way to dampen excessive volatility of exchange rates: a small tax on each currency exchange, say 1 percent, collected by national governments within their territories.

Such a tax would cool some of today's speculative fever by making it less attractive for multinational corporations to shift billions of dollars back and forth between currencies each hour to cash in on minor shifts in exchange rates or to take advantage of small interest-rate differentials. More money now crosses borders every day — mostly as electronic blips — than during the entire century from 1750 to 1850.

Fluctuations in exchange rates are caused by two mechanisms, one of

which is desirable. If a country accumulates a trade deficit, the value of its currency tends to drop. This can restore balanced trade over time because exports become cheaper and imports more expensive. This mechanism is stabilizing and desirable.

The other mechanism causes excessive short-term fluctuations and is undesirable. If currencies are falling in value, as the yen and mark are, speculators profit by buying them low and selling them high. As long as they keep rising, many wish to buy them for the ride upward. Greater demand makes them appreciate even faster.

When the tide shifts and a currency starts to decline, nervous speculators will want to unload their holdings rapidly before its value drops further. This selling pressure pushes its exchange rate down even faster, in a vicious cycle, as has happened to the dollar. These speculative flows of currency lead to wild short-term fluctuations in exchange rates that have no basis in economic reality.

An exchange tax would dampen these short-term fluctuations, but would not prevent realignments in currency values made necessary by trade imbalances. Someone has convinced that a currency was undervalued by more than 1 percent would not be discouraged from buying it.

Critics of such a tax argue that it would lead to black markets, which have sprung up when the official value of a currency exceeded its market value by a factor of 2 or 3, sometimes even 10. But major corporations would hardly risk fines and public disgrace to save a mere 1 percent.

Mr. Tobin's exchange tax has another attractive feature: It could gradually replace national contributions to the International Monetary Fund, the World Bank, the United Nations and other international organizations. Richer countries would automatically pay a higher share, without long and divisive negotiations over who should pay how much.

Mr. Tobin's proposal has never been tried. Any group of countries, even one country, could begin to stabilize exchange rates this way. If the experiment proves successful others will join.

Robbinsville, N.J., July 14, 1994  
The writer is on the board of Economists Allied for Arms Reduction.

## Airline Went All Out to Find Missing Cat

To the Editor:

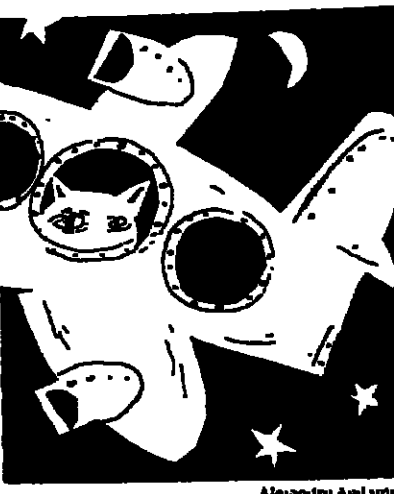
"Eight Lives to Go" (editorial, July 13) misstates Tower Air's position regarding Carol Ann Timmel's ability to enter our aircraft to search for her cat, Tabitha.

The airline always made the plane available to Ms. Timmel when it was on the ground (12-hour to 14-hour stretches each day through the 12 days), during which Tower Air personnel searched for the cat.

On July 8, Ms. Timmel agreed to assist a team of animal-rescue professionals engaged by Tower Air at considerable expense to search for her cat with mini-cameras and other high-tech equipment. However, at the last moment, she canceled, stating that she had to attend a rehearsal dinner for her father's wedding.

We at Tower believe we went to extraordinary lengths to find Tabitha. This view is shared by Kathi Travers, director of exotic animals and animal transportation at the American Society for the Prevention of Cruelty to Animals, and Todd Hardwick, the owner of Pesky Critters Wildlife Control, who said our rescue effort may have been the most extensive and exhaustive search for a domestic animal in history.

With regard to the injunction you



Alexandra Apolloni

refer to, Tower Air was never served with any notice that an injunction was sought. As far as we knew, the lawyers for Ms. Timmel did not go into court seeking the injunction.

Fortunately, and somewhat miraculously, Tabitha has been found and returned to her owner in good health. And when all is said and done, this was the only goal that all parties shared.

L. NICK LACEY  
Vice President of Operations  
Tower Air  
Jamaica, Queens, July 14, 1994

## Talmud Lights a Path Toward Farrakhan

To the Editor:

Many criticize Benjamin F. Chavis Jr., executive director of the National Association for the Advancement of Colored People, for bringing Louis Farrakhan, head of the Nation of Islam, into the tent. However, a Talmudic teaching opens a door. "May you get a field and a house and a wife and children" is a blessing, the Talmud says, but a wish for the same things in reverse is a curse! (This describes the problems of, and solution for, the underclass; it is an important part of Mr. Farrakhan's message.)

The order of things has consequence. If Mr. Farrakhan is, first, an anti-Semite and, second, a man who seeks the good of his community, then his critics are right.

But if he is committed first to the good of his community and, second, hostile to Jews, there should be dialogue. His principal intention, of doing good, will enable him to see the unfairness of categorizing "Jews" as this or that.

Black and Jewish leaders ought to take a chance and meet with him. They can applaud his good works, reject past demonizing of whites and learn about today's Louis Farrakhan. He can learn that he is preaching an old and sacred Jewish (then Christian, then Islamic) message of individual responsibility. It would be a blessing.

EDWARD A. STERN  
Bethesda, Md., July 14, 1994

## No Censors Needed on the Data Highway

To the Editor:

We are alarmed at growing restrictions on the information superhighway, particularly the cancellations of feminist discussion groups. Without free-speech protections of unpopular ideas, women would not have been able to found a feminist movement 25 years ago.

Free speech is as crucial on the new computer networks as it has

been for books and newspapers. New technologies should not be the occasion to limit speech.

As with older forms of communication, children need guidance in what they read and view online. But guiding children should not mean blocking adults. Ironically, feminist networks provide information to help women and their children — from battered women's hotlines to AIDS prevention for teenagers.

Rather than cancel controversial messages, we would do better to use the parental control options on many networks and develop similar procedures for the Internet. These allow individual parents to decide which network areas their children can enter, a decision most parents would not turn over to an unknown hacker, a corporation or the Government, but would rather make themselves.

As for advertisements, they might be placed in separate areas where those looking for services could find them. The "solution" taken by Arnt Gulbrandsen, who erased all messages from the Canter & Siegel law firm, raises the frightening specter of individuals "cleansing" the Internet of information they dislike.

In a democracy, the answer to "bad" speech is better speech, not no speech.

MARCIA PALLY  
JOAN KENNEDY TAYLOR  
New York, July 14, 1994  
The writers are, respectively, president and a director of Feminists for Free Expression.

## My Generation Wants a Woodstock We Can Call Our Own

To the Editor:

As a young person who paid \$221 for a ticket to go to Woodstock '94, I read Frank Rich's "Peace and Love, '94 Style" (column, July 10) with interest. Mr. Rich makes the point that commercialism has swallowed the real meaning of Woodstock simplicity, unity, peace and flowers. But he misses the point of why my generation is so excited about this event.

Mr. Rich and his generation are old enough to remember the power of Woodstock in 1969. They remember how quickly the story unfolded, the fascination of the Thruway backed up for miles, the thrill of seeing their compatriots go skinny-dipping in a lake and Jimi Hendrix playing "Purple Haze."

My generation, those 25 and younger, learned about Woodstock through history books, and even then there was just a paragraph or so about a music festival that defined a generation. Mr. Rich and his generation experienced the impact of the first Woodstock, which explains why they see Woodstock '94 on the same level as a leftover dinner and why they see it as overkill when we do not.

The Times welcomes letters from readers. Letters must include the writer's name, address and telephone number. We regret that we cannot acknowledge or return unpublished letters. Those selected for publication may be shortened for space reasons.

For young people Woodstock '94 is a fresh and new event. We never experienced the full impact of the first Woodstock, or the power of the 60's. To us it is history, but to my parents' generation it is a memory.

My contemporaries and I are not going to Woodstock '94 comparing it with our parents' Woodstock. We are going to it expecting no less than the young people in the 60's expected — to be happy, peaceful, listen to great music and meet all kinds of people.

Mr. Rich can see the differences between the first and second Woodstock, but we are too young. Woodstock '94 is our only Woodstock. Whether it will be filled with peace, love and flowers remains to be seen, but at least the experience and memories will be ours.

AMY WU  
Thornwood, N.Y., July 14, 1994

## Peace, Love, No Profit

To the Editor:

Frank Rich has it right about Woodstock (column, July 10). As one who was there at the end of my tender teen-age years, I can testify that the "Three Days of Peace and Music" had a lasting impact on my life — not for anything that can ever be marketed, but precisely the opposite.

Woodstock was a free festival by accident: expelled from its original site in White Lake, N.Y., the organizers barely had time to finish building the stage and, come showtime, there was no fence. Thus, there was no way to limit entry, and it was announced from the stage that this was a free concert.

Except for the circulating dealers in psychedelics, virtually no dollars changed hands for an entire weekend in a city of half a million people. It was precisely the anticommmercialism of the event that my buddies and I were caught up in, that had us giving away all our food our first day, sharing whatever else we had and relating to hundreds of people a day in a heady fog of good vibes.

It is also what put the essence of Woodstock forever beyond the reach of capitalist enterprise. Sure, it was just a weekend event in late-60's America, but it was also a vision — however brief and unsustainable — of a life lived communally, without a profit motive. We did not want to leave.

ALAN MEYERS  
Cambridge, Mass., July 13, 1994

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## In America

BOB HERBERT

## Little Criminals, Big Crimes

When a juvenile commits a crime in New York State, the case in most instances is handled in Family Court. But under state law, Family Court judges are not authorized to issue arrest or search warrants. This, to put it mildly, is a problem.

A report prepared recently for Gov. Mario M. Cuomo said, "The police cannot enter the home of a juvenile suspected of committing a crime to arrest him, even if they are sure he is there. Because of this limitation, police officers must either ask the suspect to come to the police station voluntarily to be arrested, or, alternatively, post an officer outside the home in order to arrest the suspect on his way in or out."

You can imagine a pair of cops sitting in a patrol car, with donuts and coffee on the dashboard, analyzing the latest episode of "N.Y.P.D. Blue" while waiting for a pint-sized armed robber to decide he needs a little air.

The report drily notes, "These are neither effective nor efficient ways to effectuate an arrest."

There is almost nothing that is effective or efficient about the juvenile justice system in New York State. Nor is there anything effective or efficient about the State Legislature,

The laws are a joke. Legislators are frozen.

which has the power but not the will to improve the system.

So you get a sigh of frustration from a hard-working judge like Judith B. Sheindlin, the supervising judge of Family Court in Manhattan, who says: "We don't even have good information on who the offenders are. We have kids committing terrible crimes, but we don't routinely fingerprint juveniles."

The reluctance to fingerprint stems from the wish to avoid unnecessarily stigmatizing juveniles. Only the most serious offenders are fingerprinted. In 1992 about 9,000 juveniles under the age of 16 were arrested for felonies in New York but fewer than half could be fingerprinted. This often leaves criminal justice officials in the dark on such vital matters as a suspect's true identity and criminal history.

The desire to go easy on juveniles — to avoid long periods of incarceration, to provide rehabilitation rather than punishment and to avoid the creation of an official record that would follow the offenders — has been well intentioned but in many instances is out of touch with the increasingly violent reality of juvenile crime.

We are no longer talking about juvenile delinquents stealing hubcaps and fashioning zip guns. According to the F.B.I., one out of every six suspects arrested nationwide for murder, rape, robbery or assault is under the age of 18. A large percentage of their victims are other juveniles.

In New York the State Legislature seems intent on doing little or nothing about this disastrous problem. Governor Cuomo and his director of criminal justice services, Richard Girgenti, have tried to put together a legislative package that would include a serious overhaul of the juvenile justice system. That, apparently, was too much heavy lifting for the men and women of the Legislature. They yawned through the last session, sipped some Fresca, licked some lemon ice and went home.

The Senate and the Assembly have philosophical differences over the way to approach juvenile crime, and they have not worked nearly hard enough to resolve those differences.

The Assembly has been unwilling to move seriously on any initiatives that smack of a crackdown on juvenile offenders. Assembly leaders claim they favor some tougher efforts, but they've ignored relentless pleas by criminal justice officials around the state to take real action.

The Senate is more than ready to move on a crackdown, but is wary of what it sees as the "softer" preventive approach.

The report prepared for the Governor contained the initial findings of a commission on youth crime headed by Andrew Stein, the former president of the New York City Council. The commission is trying to promote a mix of tough law enforcement and extensive preventive measures.

The report described a juvenile justice system that is in chaos and that generally is not taken seriously by juvenile offenders. They are aware that the system is a joke. The recidivism rate is approaching 90 percent. Violent offenders regularly get away with little or no time in custody.

Given demographic trends, the situation is almost guaranteed to get worse. In the next decade the nation's teen-age population will increase sharply, perhaps by 20 percent.

Said Mr. Stein, "We are not facing up to the enormity of a problem that is threatening to destroy us."

## Seal Off Haiti. Don't Invade.

By Ronald V. Dellums

**F**rustration over the Haitian military's refusal to restore the democratically elected Government, anxiety over waves of refugees heading to our shores and horror over capsized boats have generated calls for the forcible removal of Haiti's military. The Administration wants to preserve this option, and has sought explicit United Nations endorsement.

Macabre and protracted repression by Haiti's military has led many who have always opposed United States intervention abroad to embrace this position. Yet U.S. policymakers should consider the use of force — anywhere — only as a last resort.

The Administration has properly placed our enormous leverage on the side of democracy in Haiti. Since President Clinton appointed William Gray 3d as special envoy in May, U.S. policy has been far more resolute. To achieve our goals without military intervention, however, the White House must further refine its refugee policy and its

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push for comprehensive sanctions.

While rough seas and a crackdown by the Haitian military have stemmed the flow of refugees, there is no guarantee that this trend will last. And as long as the U.S. refuses to provide safe haven to any Haitian refugee intercepted at sea, our appeals to regional countries to do so will be met with understandable resistance. If we are to address charges of racism in our refugee policy, we must agree to provide safe haven to a reasonable percentage of boat people.

In addition, the Administration has not yet done all it can on sanctions. The U.S. has been maddeningly slow to use its full leverage to shut down the border between Haiti and the Dominican Republic. As soon as darkness falls, constant trade across it makes a joke of the embargo.

Only last week, the Administration pledged \$15 million in military materiel, including helicopters, vehicles and communications equipment, to help the Dominican Republic seal the border, as Mr. Gray recommended two months ago. Mr. Clinton must not allow interagency squabbling, long the Achilles' heel of U.S. policy on Haiti, to undermine his authority. Yet the failure of the Dominican President, Joaquín Balaguer, to enforce sanctions

cannot solely be ascribed to a lack of means to do so: it reflects both a lack of political will and longstanding links between business and military leaders in Haiti and the Dominican Republic.

President Clinton, therefore, ought to quickly incorporate into his Haiti policy provisions in the Governors Island Reinforcement Act, which now has more than 100 bipartisan cospon-

## Put the squeeze on the Dominican Republic.

sors in Congress, that would deny U.S. aid to the Dominican Republic if it continues to violate the sanctions.

Mr. Balaguer must be made to understand that \$22 million in foreign aid for 1994 and the \$180 million quota the U.S. reserves for Dominican sugar are at risk. And the Administration should make clear that, in return for military assistance, it expects quick, substantial progress on sealing the border.

The Haitian crisis is too dehumaniz-

ing for Haitians, too costly politically and economically for the U.S. and too threatening to democracy in the region for the Dominican Republic to be anything other than a committed partner in this effort. By not putting pressure on the Balaguer Government now, the Administration makes a military solution unavoidable.

A firm U.S. commitment to these strategies can restore democracy to Haiti without military force. But opposition to the use of force should not be misconstrued as a lessening of U.S. resolve that Lieut. Gen. Raoul Cédras and his high command must step down and of our commitment to restore the Rev. Jean-Bertrand Aristide, the exiled President.

Many lament that sanctions will hurt only those we are trying to help. Yet while sanctions may hurt, Haiti's military kills — more than 4,000 people since the 1991 coup. With neither airtight sanctions nor military intervention, the status quo will prevail. This would be a defeat not only for President Aristide and Haiti but for democracy throughout the region. And it would be a major failure for the Administration in light of its commitment to promote democracy abroad.

The Dominican Republic is Haiti's lifeline to the outside world, just as South Africa was Rhodesia's in the 1970's during Rhodesia's attempt to circumvent sanctions. The international community prevailed against white supremacy then, and we must prevail against despotism and military rule now.

## Regulate Tobacco. Regulate All Drugs.

By Steven B. Duke and Albert C. Gross

**T**he cigarette-bashing that is popular lately on Capitol Hill may produce an unexpected benefit — a comprehensive rethinking of

America's entire approach to drugs. The nation has been bombarded with new allegations about tobacco and the mendacity of its manufacturers. Most serious among them are that tobacco companies manipulate the amount of nicotine in cigarettes and that they add to them hundreds of chemicals, some toxic in large doses.

Based on this information, Dr. David Kessler, the Commissioner of the Food and Drug Administration, claims a possible legal basis to prohibit tobacco altogether: if nicotine doses are manipulated, then tobacco may be a drug that the F.D.A. has not approved (and could not approve under present laws, because it is not safe and is "effective" only at enslaving and then killing its users).

Meanwhile, the transformation of tobacco smokers into pariahs gains momentum. Many smokers are forced to choose between their addiction and their job; in some cities, about the only places smokers can enjoy their cigarettes are outdoors or in their own homes.

The reasons for the radical shift in attitudes toward tobacco and its users have little to do with the discovery of suppressed facts. Everything publicized during the Congressional hearings on tobacco in April was already public information or was easily accessible to any politician or Government official interested in learning about it.

The true explanation for today's anti-tobacco frenzy is largely politi-

cal. Smokers have become a clear minority — about one-fifth of the population. For the first time in history, there are more ex-smokers than smokers in America. The tobacco lobby, despite its huge financial resources, has lost much of its clout.

We are reaching a national consensus that the laws governing the manufacture and use of tobacco are inadequate. What new approaches can be taken? Is there anything to be learned from our efforts to control alcohol and other drugs?

Dr. Kessler says he doesn't want to ban tobacco, just to regulate it more stringently. Representative Henry Waxman, Democrat of California, who presided over the hearings and is a leading crusader against the tobacco companies, says "prohibition is a terrible idea." He is correct.

We know that prohibition is unthinkable not only because of previ-

ous efforts to ban it (14 states briefly outlawed tobacco before 1925), and the catastrophe of alcohol prohibition (1920-1933), but more clearly and dramatically by the here-and-now failure of the "war on drugs."

By emphatically dismissing prohibition, Dr. Kessler, Mr. Waxman and others implicitly acknowledge that today's drug policies are a grave mistake. They know that it is the black market created by prohibiting drugs — not drug use itself — that is responsible for our unprecedented crime

Prohibition isn't working, but new policies can.

rates, a fourth of our murders, the glut of guns in homes, streets and schools.

When the grandstanding by politicians and the obfuscation by tobacco companies' subsidy, the present debate may produce an entirely new regulatory program. It should take into account not only the harm tobacco causes its users but also the rights of smokers to smoke, the desirability of discouraging young people from experimenting with tobacco, the need of many smokers for help in quitting, the health risks and offensiveness of smoking to others and the necessity of avoiding a black market by excessive taxes or regulation.

Since tobacco is by far the most lethal recreational drug in common use in America — killing 100 Americans for every one killed by any illicit drug — many regulatory measures devised for tobacco could surely accompany legalization of drugs like marijuana, opiates and cocaine.

Not only are most illegal drugs less deadly than cigarettes, the main contribution they make to crime is probably the same as we would get from tobacco if it were prohibited. Users of addictive drugs rarely get violent when they get "high." They get violent when they are desperate for more drugs. The violence, therefore, does not result from the effects of the drug but from its prohibition.

Possible new measures to regulate illicit drugs and tobacco include relatively (but not prohibitively) high taxes to discourage their use and to pay for the damage they cause. Sellers of tobacco, like other drug dealers, should be licensed and lose their licenses for selling to minors or for other violations. Consumption of any drug in public should be discouraged and in some cases outlawed, just as public drinking is restricted.

New regulations would of course have to make distinctions among drugs. Alcohol is too deeply ingrained

in our culture — even though it kills 100,000 Americans a year — to attempt to limit its use to the home, whereas the use of some illegal drugs could reasonably be so restricted. Likewise, tobacco addicts suffer if they can't get a fix periodically, so any sensible regulatory plan will make allowances for workers who need to smoke.

**A**ll drugs should have full warnings on their packages, warnings not only of the health risks associated with use but of the danger they pose to others, their addictive potential, the danger of mixing with other drugs, etc. Ninety percent of drug-related deaths reported by medical examiners involve multiple drugs — often an illicit drug like heroin or cocaine consumed with alcohol. Overdose deaths from a single drug, even heroin, are uncommon.

As well as requiring more complete disclosure about tar and nicotine content on cigarette packages, Federal law should also mandate a listing of any potentially harmful chemicals in all drugs. None of these disclosures can be required under prohibition, and the absence of them now accounts for many deaths of illicit drug users.

The current crackdown on smoking is raising the consciousness not only of politicians but of beleaguered tobacco addicts. Many smokers believe that their rights are under siege, yet they cannot trumpet their right to smoke and also support prohibition of drugs without being hypocrites. If the tobacco debates produce the kind of understanding and candor that they should, today's tobacco-bashing may be a catalyst for dramatic and immensely beneficial changes in drug policy.

## Journal

FRANK RICH

## Camp Visiting Day

In the letters he has scrawled to me from camp so far, my 10-year-old son, Simon, has reported one ear infection, one long night of watching his counselor involuntarily lose his dinner into a bedside pail, one stomach bug of his own and one incident of being smacked accidentally with a hockey stick. He is, of course, having a marvelous time.

Simon is a novice at sleepaway camp. His 14-year-old brother, Nat, is an old hand, which means that his letters are even shorter, more infrequent and less legible. As befits his advanced status, his bunk recently got to spend some time with their peers at the neighboring girls' camp. His succinct verdict: "They're all Jewish princesses." Some ethnic stereotypes — especially among Jewish princes — die hard.

What is it about summer camps and American Jews? So I wonder this weekend as I join the millions of parents who are slouching toward visiting day. For many American teenagers, high school is the formative experience, or college, or a frat house. But for me, as I suspect for my children, there's camp. "Per capita, Jews have had more campers than any other group," says Jenna Weissman Joselit, a visiting religion professor at Princeton who has curated an evocative exhibition, "A Worthy Use of Summer: Jewish Summer Camp in America," now at the Jewish Museum in New York.

Among the displays are artifacts from legendary Jewish camps like Kinderland and Cejwin, ribbons of name tags, a battered trunk, green wood benches and a 60-year-old letter home, written on personalized camp stationery, that begins "I'm having a swell time in camp except for the food. I almost starve here. I'm hungry all the time." In another vin-

## Name tags, lanyards and Jews.

tag letter, a camp director scolds a parent: "We have 80 girls in camp and all are enjoying it to the fullest degree except Peggy, Marjorie Bernstein and Syville Kohn, who have formed a little clique."

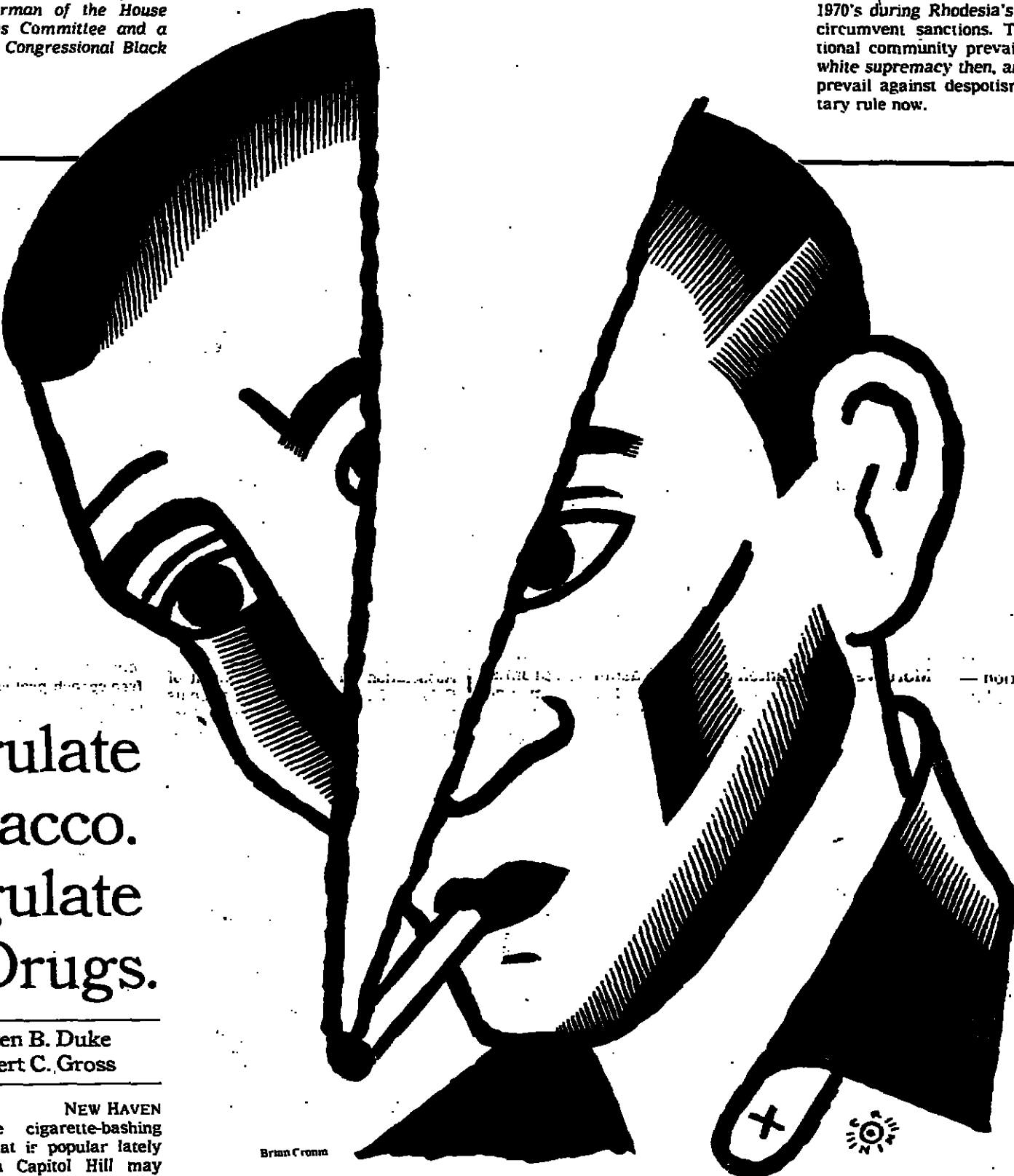
At the assimilated postwar camps I went to — not strictly Jewish, but full of Reform Jews — I made countless lanyards and a pig-shaped wooden cutting board that my mother pretended to use until the day she died. It was also where I learned to type — there's a pragmatic Jewish rainy-day activity for you — and to kiss girls. At an arts camp in the early 60's, the smart kids from Greenwich Village taught the rest of us how to look hip; on the annual free day "in town," everyone gravitated to the one store in Pittsfield, Mass., selling black turn-of-the-century shirts.

My kids love their own camp, where logo-bearing shorts and T-shirts are de rigueur. They don't miss me a whit. When they left a month ago, I was startled to discover that I was the one who was homesick. For the first time in 14 years, a child-free summer loomed before me, but instead of feeling liberated I moaned disconsolately about my emptied nest.

On visiting day, my sons will behave the same way I did to my parents 30-odd years ago. They will show off their independence half the time, exchanging indecipherable in-jokes with their counselors, only later filling me in on their exploits on lake, mountain and playing field; then they will act as if they barely know me, because true independence means pretending your parents no longer exist and are to be tolerated only to the extent that they airlift bags of salt-and-vinegar potato chips and Snickers into your junk-food-free zone.

Is it because so many Jewish families are so close that they must be wrested apart by the enforced separation that camp brings? In the Jewish Museum exhibition, there's a particularly pertinent poster, probably from the 1940's, called "The Leaving," in which a mother seems to smother her son in a hug as he departs for Camp Port Indian in Betzwood, Pa. What I most remember about arriving at my own first camp at age 11 was the sensation of relief as I surveyed a world I could make my own, so many miles from that world where my parents loomed large.

Like every parent, I want to believe that my own sons have no need of such an escape, and that their stay at camp is merely a vacation, not a rite of passage. But they're having too much fun for that. If visiting day is a melancholy experience for parents, it's not just because our own camping days are long over but because we see there's a part of our children that will never again come home.



Brian Cronin



# Hopper, Hopper, Everywhere

By CELIA MCGEE

Edward Hopper changed forever America's image of itself. His stark paintings of lonely buildings and lonelier people, deserted roads and railways, mysterious and sinister cities, a disintegrating New England, a sadly tamed West have lodged themselves in the American consciousness. They are embedded in the culture's creative imagination.

His durable influence is currently on view in the show "Edward Hopper and Jack Pierson: American Dreaming" at the Whitney Museum of American Art through the summer. Mr. Pierson, a contemporary artist, has selected 8 Hoppers and 11 of his own works to create a dialogue in the continuous conversation between Hopper, his audience and inheritors of his vision.

But Hopper's impact has been far from limited to painting. His sightings of strangeness in the ordinary, isolation and alienation in the crowd, and a proud melancholy in the everyday crop up in film, theater, photography, fiction, the occasional dance piece, book design and advertising. This presence has even engendered a word, Hopperesque, that summons up certain shapes, colors and light, and functions as a label for architecture, an indicator of atmosphere, a signpost for emotion.

## Edward Hopper's artistic visions have worked their way into America's psyche.

Each decade has borne its own Hopper imprint, some more self-conscious than others. Echoes of his spare, moody imagery can be seen in works by Alfred Hitchcock, Terrence Malick, Sam Shepard and the Coen brothers, among many. In 1981, the director Herbert Ross recreated two Hopper paintings as scenes in his movie "Pennies From Heaven," a surreal chronicle of the 30's. Coming this fall is "Last Seduction," a sultry tale of love and double-cross in a backwater town by John Dahl, whose most recent movie was this year's highly praised noir "Red Rock West"; the director cites Hopper as a direct inspiration.

"Hopper gave a permanent interpretation of what it is to be an American," said the art critic Peter Schjeldahl, who wrote an essay in 1989 on the Hopperesque and its permutations in American culture. "And it continues to check out for every generation." Robert Coles, the Harvard child psychiatrist, uses Hopper's art in classes he teaches to fourth graders and finds them identifying strongly with what he shows.

Hopper's depictions of scenic desolation are especially familiar from ubiquitous reproductions of such well-known paintings as "Early Sunday Morning," with its row of closed shops; "Gas," an eerie picture of absence enclosing a gas station, and the lighthouse portrait "Light at Two Lights." Let alone "Nighthawks," which has transmogrified into the best-selling poster "Boulevard of Broken Dreams," with Hopper's four tough souls haunting an all-night diner replaced by the pop icons James Dean, Marilyn Monroe, Humphrey Bogart and Elvis Presley. First produced in 1987 from a painting by Gottfried Helnwein, it is now a favorite from Brooklyn pizza parlors to California shopping malls — with or without neon lighting.

A Hopper painting on a book jacket is both a stamp of approval and a hint about the book's contents. Much contemporary writing — from such authors as Raymond Carver, Anne Tyler, Mona Simpson, Paul Auster and Stuart Dybek (who built a short story around "Nighthawks") — has led book designers to commission cover illustrations in a Hopperesque vein.

"Hopper is pretty popular in publishing," said Chip Kidd, a designer at Alfred A. Knopf. "I've used Hopper myself. A few years ago I used 'Summer in the City,' a woman seated on a bed with a nude man lying behind her, for Alan Williamson's book of poetry 'The Muse of Distance.' The urban ennui was Hopper."

"Anne Tyler wanted a Hopper for her novel 'Saint Maybe.' In that case we ended up asking the illustrator John Collier for a picture reminiscent of Hopper, showing a house typical of Anne Tyler's Baltimore."

John Updike has been prompted to poetry by Hopper. In the 1982 poem "Two Hoppers," he wrote: "The day/ rumbles with invisible traffic outside/ this room where a wall is yellow, where/ a bureau blocks our way

with brown and luggage/ stands in wait of its unpacking.../ We have been here before."

"Hopper was able to lift the drabness of the 30's and 40's into a poetry that has stuck with us," Mr. Updike said. "His dusty railroads and plush furniture are the world of my childhood. I grew up in Hopper's world."

So did Jack Pierson. Several states and a generation removed from Mr. Updike's rural Pennsylvania, he was born in 1960 in Plymouth, Mass. "America's hometown," he said with a laugh. "The same small town that is ours, that is mine, that is Edward Hopper's."

The Whitney exhibition mixes Hopper works with Mr. Pierson's paintings, photographs and the word pictures he constructs from the sort of plastic marquee lettering that Hopper, a movie and stage buff, painted in his numerous renditions of movie houses and theaters. In the middle is an installation piece meant to recall a Hopper hotel room.

It is moviegoers who probably sense Hopper's influence most pervasively. In a relationship that many critics trace back to 1940's film noir, Hopper's visual sensibility, sociological acuity and psychological insight have permeated film making, especially in the last few decades. (Though there are few Hoppers in private hands, several people in the film industry own Hopper works, among them the actor Steve Martin.)

The emergence of film noir was contemporaneous with Hopper's growing reputation and the changing image of America he helped create. Richard Peña, programming director of the Film Society of Lincoln Center and head of the selection committee for the New York Film Festival, points out that some of the most original directors of the 40's and 50's placed their hard-boiled narratives of solitary detective work, ill-fated romance, aimless travel or psychological suspense in settings similar to Hopper's scenery, with its strange angles and unsettling slants of light.

"In my classes," said Mr. Peña, who also teaches film at Columbia University, "I juxtapose a series of Hoppers from the 1940's and such noir classics as 'Out of the Past' or 'Double Indemnity,'" the murderous tale of a hapless insurance salesman made in 1944 that Mr. Peña compares to Hopper's "Office at Night" of 1940. "Along with the so-called hard-boiled fiction of the time, Hopper and these film makers seem to be uttering a kind of no to what in that era was the great American yes. People aren't just alone but lonely, a tone that began creeping in as traditional relationships and a sense of community in America began to break down."

The movie that summed up the great American crackup in terrifying details straight out of Hopper was Alfred Hitchcock's 1960 classic "Psycho." "I'm more and more convinced that Hitchcock had Hopper in mind when he made 'Psycho,'" said Lawrence Kardish, a curator of film and video at the Museum of Modern Art. "Hitchcock knew art, and the movie reminds me of several Hopper paintings."

The thriller opens with a specificity of place, date and time of day worthy of Hopper, only to shift to a voyeuristic dolly shot through a hotel window to an adulterous couple getting

a Gothic pile is cut off by train tracks from modernity. "They moved away the highway" is one of Norman Bates' explanations to Janet Leigh's Marion Crane for all the vacancies and, by implication, the damage done to his psyche. She is, for her part, the type of independent-minded, sexually experienced woman suggested by Hopper's skimpily clad or nude female figures, found sitting tensely in morose hotel lobbies or standing in sunlight as harsh as Hitchcock's view that violent death was such women's just reward.

By the late 60's and throughout the 1970's, said Mr. Peña, the taciturn, starchy Hopper paradoxically became a "hero to people looking for various ways of critiquing America." Dorm rooms of student rebels sprouted Hopper reproductions, and he was turned into a patron saint of nostalgia.

At the movie, these young people applauded films like Terrence Malick's road movie "Badlands," with its barren vistas, and his "Days of Heaven," which resurrects "House by the Railroad" again. They embraced Dennis Potter's feverish cross-country quest "Easy Rider," Peter Bogdanovich's "Last Picture Show" and its epilogue to dying small towns, John Schlesinger's picaresque urban nightmare "Midnight Cowboy," Arthur Penn's Depression epic "Bonnie and Clyde," and just about anything by Robert Altman.

Hopper's art became an art director's ideal, his light second nature to cinematographers. The culmination was "Pennies From Heaven," Ross's adaptation of Dennis Potter's British mini-series, in which both Hopper's "Nighthawks" and "New York Movie" were meticulously replicated with sets and actors.

"I was looking for strong visual symbols," Mr. Ross said, "and Hopper's palette and subjects are also very evocative."

More recently, Hopperesque movie making has given rise to the brutal mundanities of David Lynch's "Blue Velvet" and "Wild at Heart," Jonathan Demme's on-the-lam romance "Something Wild" and Jim Jar-

musch's laconic four-wheel adventure "Stranger Than Paradise." Hopper also seemed to shadow Gus Van Sant's seedy Northwest in "My Own Private Idaho." The title alone of Allison Anders' "Gas Food Lodging" reeks of Hopper. Joel and Ethel Coen tapped into 30's gangster movies with "Miller's Crossing," which, said Joel Coen, "suggests Hopper because of its period and its urban landscape."

Earlier this year came Mr. Dahl's "Red Rock West," another variation on the drifters-and-troubled-dreamers theme, replete with iconic gas stations.

"I studied art before going to film

school," said Mr. Dahl, "and Hopper has always been a big influence. I Xerox reproductions from my Hopper books and give them to my production designer as a frame of reference. I'm fascinated by Hopper's empty loneliness and the play of light and shadow. Those buildings of his are terrifying. I always wonder what sort of hideous act is going on inside his houses. And I love the series he did of movie theaters."

Hopper not only frequented movies; he was an avid theatergoer and gave many of his paintings the appearance of stage sets. The admiration proved to be mutual.

"Hopper created a certain atmosphere and look you eventually started to see in the theater," said Robert Brustein, the director of the American Repertory Theater at Harvard University. "Sam Shepard's plays, for instance, 'A Lie of the Mind,' 'True West,' 'Fool for Love' are haunted; there's a feeling of large landscapes and hard-working people who have a certain nobility. Steppenwolf Theater's 1990 production of 'Grapes of Wrath' had a similar quality."

Mr. Brustein likewise finds it fitting that a 1964 Open Theater produc-

tion of a piece by Jean-Claude van Itallie called "Motel" featured masks designed by a young Robert Wilson, who, in Mr. Brustein's view, was very much affected by Hopper: "You see it in his huge landscapes and endless horizons, in certain scenes in 'Einstein on the Beach' and 'The Civil Wars.'"

Mr. Wilson confirmed that he respects Hopper. "What I admire," he said, "is Hopper's light and darkness and sense of tension, and his interior quality."

Now Hopper possesses, as it were, two Tony Awards. Last month Nicholas Hytner won the award for best director of a musical for the revival of "Carousel" at Lincoln Center, and Robert Crowley received the Tony for best scenic design. In the somber production, wrote Frank Rich in The New York Times, its grim, proletarian New England "is not quaint but lonely, more Edward Hopper than Norman Rockwell."

Mr. Hytner gladly concedes the debt. "Once you've decided your show is about loneliness in New England," he responds, "Hopper is fairly inescapable. Hopper also captured something of the rootlessness of the individual soul which has marked so

much of 20th-century American writing. There's that sense of dislocation — in Billy and Julie, at least — that binds them to all those folk sitting alone in Hopper's bars and bed-sits."

Much of the darkness in Mr. Hytner's "Carousel" has been ascribed to his acknowledgment of the marginality of the characters. Hopper also made it his business to seek out and dignify people on the fringes, locating them in the realm of hard luck and vulnerable hopes he felt America had become. The idea of marginality in America has changed somewhat — now race and sexual identity are the concerns — but what Jack Pierson describes as the "loneliness, despair and desire" bred of marginality remain.

Lawrence Kardish of the Museum of Modern Art speculates that many artists exploring the subject of homosexuality in their work today share Hopper's sensitivity to the individual, the alienated, the bleakly defiant. "The director Ron Peck," Mr. Kardish points out, "who made a documentary on Hopper in 1981, made one of the earliest films about gay life three years before."

The title of the movie was "Nighthawks."

Celia McGee is writing a book about late-19th-century American art and culture, to be published by Knopf.



On Book Jackets A Hopper or Hopperesque painting on a book is both a stamp of approval and a hint about contents.

dressed. Janet Leigh's frantic getaway drive takes her through a Hopper landscape of depopulated city streets, highways and gas stations (bearing the same Mobil logo as Hopper's "Gas") to the Bates Motel, where "cabins" is a euphemism for pathetic little rooms catering to the uprooted and — well, you've seen the shower scene.

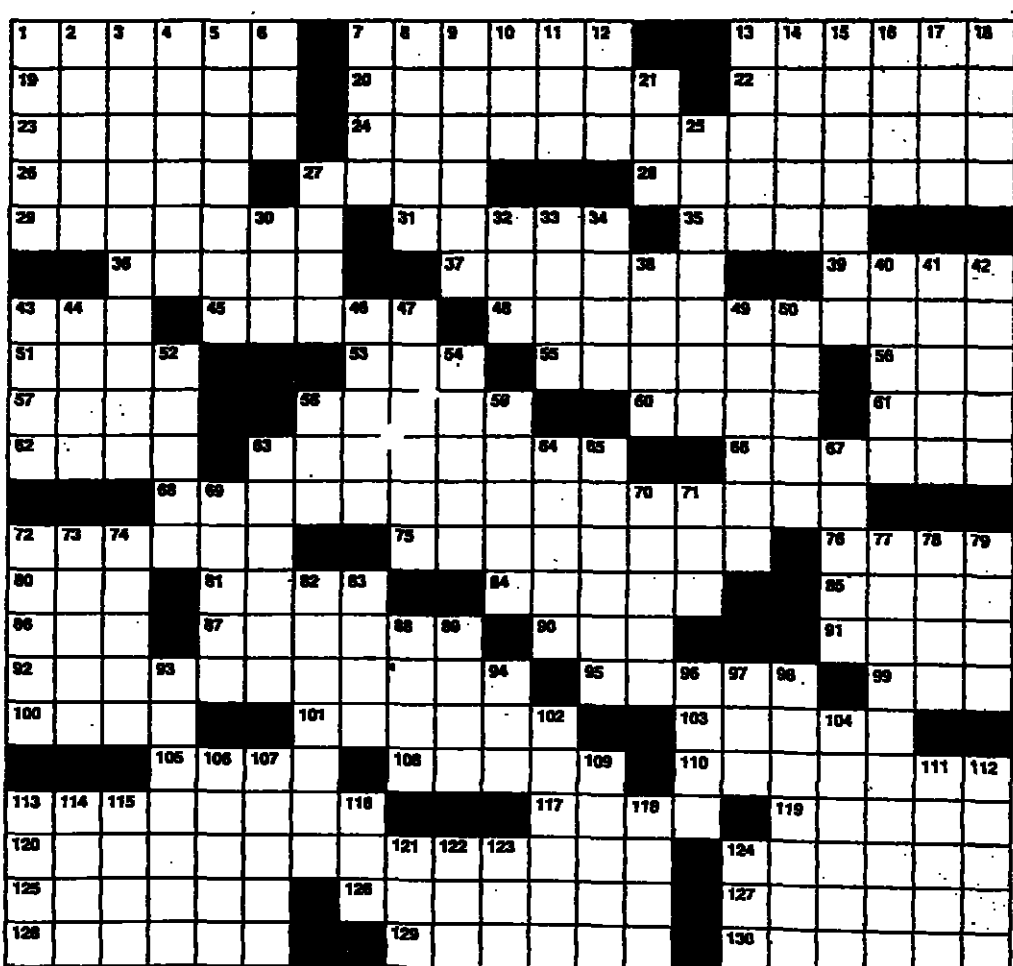
Although the motel screams "Hopper" at his spookiest, it's only a preliminary to the Bates mansion up the hill, a deadly ringer for the mansard Victorian in Hopper's "House by the Railroad" of 1925, one of the artist's most striking visions of the tensions between present and past. Here

"I studied art before going to film

## FAMOUS DIETERS

BY MATT GAFFNEY / EDITED BY WILL SHORTZ

- ACROSS**
- Yacht spot
  - Greenspan's domain
  - Haifa hi
  - Coordinates
  - Olympic gymnastics powerhouse
  - Mexican state south of Jalisco
  - Get a grip on
  - Dieting Supreme Court Justice
  - Telly on the telly
  - Asir member
  - Springfield family, with "The"
  - Radio choice
  - Teach
  - Damage, so to speak
  - Add aroma to
  - Hardly art
  - River through Leeds
  - Set the price
  - Gaps to be bridged
  - Dieting comic
  - Not too badly
  - Physicist Georg
  - April mailing
  - Word with ad or gay
  - Pedestal figure
  - Festival of deliverance
  - On — with
  - Nationality suffix
  - Amandine Dupin's pen name
  - Mother of Salome
  - No good
  - Dieting industrialist
  - Sucker seeker
  - Officially, Alcatraz had none
  - Cubemeister Rubik
  - Live
  - 1935 Cagney film
  - Miss Webb of "Our Town"
  - Speaking role for Rocky Lane
  - Fisher's gear
  - Virgil hero
  - Manuscript encl.
  - Big rig
  - Dieting actor
  - March honoree, for short
  - Part of Italy
  - Individual
  - Recorded
  - Gregg god's blood
  - Wear out
  - Some type: Abbr.
  - Winter Olympics sight
  - Overwhelms
  - Actress Swenson
  - Cassette top
  - Dieting Founding Father
  - With 114-Down, ship of song
  - A hairline can do it



- DOWN**
- McLarty and the Knife
  - Dispense carefully
  - Dieting baseball player
  - Born
  - Bit of romance
  - Refuse
  - Like taken paths
  - Denzel "St. Elsewhere" co-star
  - Touches up
  - Cool off
  - Word before and after "to"
  - Do alternative
  - Jerk
  - Basketball, slangily
  - Selected athlete
  - Pancy wheels
  - Dodona message
  - Physics calculation
  - Michaels and Martino
  - Laps
  - Scott Turrow book
  - Midwest megacampus: Abbr.
  - German pronoun

- "Dona — and Her Two Husbands"
- Knight time
- Govt. program for the unemployed
- Unemployed
- Hike
- Lay (in)
- Sale condition
- Kind of water
- Quartets
- Tuesday type
- Hearthrob singer Randy
- Matriculate
- Indiana Senator Richard
- Got a new roomer
- Bygone notable
- Start of a Victor Herbert title
- Revolted
- Revolver
- Dieting Prime Minister
- Nobody, in ancient Rome

- Garfield's pal
- Benefited from
- Bright, colorwise
- Nay sayer
- Pants part
- Adds on
- Karlovy Vary is one
- City north of Livorno
- Cry of horror, in the comics
- 1989 Paul McCartney song
- Ruling groups
- Algonquian language
- Kid
- Set
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- ANSWER TO PREVIOUS PUZZLE**
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## BUSINESS &amp; FINANCE

MONDAY, JULY 25, 1994

## Palestinians get NIS 7m. transfer

Shohat, Qreia meet to discuss implementation of economic accord

JOSE ROSENFELD

ISRAEL will immediately transfer NIS 7 million to the Palestinians and set up a joint economic committee to oversee the implementation of the economic agreement with them.

This announcement was made yesterday following the first meeting between Finance Minister Avraham Shohat and Palestinian Authority Economic Minister Ahmed Qreia (Abu Ala) since the economic agreement was signed in Cairo last May.

The meeting, which took place in the Jericho District Coordination Office in Vered Jericho, was called by Qreia to discuss the problems surrounding the implementation of the economic agreement.

Qreia requested that the government ease restrictions on Palestinian workers, especially from Gaza, where the economic situation is very bad. Shohat said the government wanted to increase the number of Palestinian workers allowed in Israel to help improve economic conditions in the territories.

Shohat noted that the increase in the number of Palestinians working in Israel will depend on local labor market conditions and security. Currently, 24,000 Palestinians have permits to work in Israel, but authorities estimate that the actual number working in Israel is 30,000.

Shohat said that if the number of permits increase to 30,000, the number of Palestinian workers will reach the levels that existed last year before the closure.

Although a regular procedure for the transfer of customs and taxes collected by the Israeli authorities on behalf of the Palestinian Authority does not yet exist, Shohat agreed to transfer NIS 7m. immediately.

Shohat said the figure is not exact, but he was sure Israel owed that amount. Israeli authorities currently collect import duties and Value Added Taxes (VAT) on imports that are destined for the autonomous areas, and are depositing the money in a separate account for the Palestinians.

Both sides agreed to name eight joint-committees that will work on implementing the agreement. The committees include trade, agriculture, monetary and banking affairs, tourism, insurance, economic cooperation, labor and taxes, which are divided into three subcommittees - customs, VAT and income taxes.

The committees will begin working as of today, and final decisions will be made by the joint economic committee headed by Shohat and Qreia.

Qreia said the Palestinian Authority



Finance Minister Avraham Shohat is greeted by his Palestinian counterpart, Ahmed Qreia, at Vered Jericho. (Brian Heister)

ity is able to meet its financial obligations to administer the areas under its control.

He added that within a week, the Palestinians will receive foreign as-

sistance to help pay for the Palestinian Authority's current expenditures. It will receive \$5m. for salaries of civil administration employees, \$8m. for expenses and \$7m. for the police.

## Cvalim, Cables of Zion in advanced merger talks

GALIT LIPKIS BECK

CVALIM-The Electric Wire & Cable Co. and Cables of Zion United Works are in advanced negotiations to merge, the companies informed the Tel Aviv Stock Exchange yesterday.

The firms said the move is an attempt to increase efficiency and be competitive against foreign manufacturers. Their total sales are expected to reach more than NIS 500,000 million annually as a result of the merger. Within a few days, the companies intend to sign a memorandum of understanding detailing the legal structure of the deal.

The merger is subject to the approval of the Industry and Trade Ministry's monopolies and mergers commission and the two companies' board of directors and shareholders.

Cvalim, which has a market value of about \$96m., is controlled by the

Offer Brothers - which own about 40 percent of the shares. The remainder are traded on the stock exchange.

Cables of Zion is controlled by Clal Industries, a member of the Clal Group. Cables' market value is approximately \$36m.

The companies said the decision to combine operations is based on expectations that the merger will have economic advantages, such as higher efficiency and improvement in the firms' competitive ability against foreign cable manufacturers.

In addition, the merger is expected to improve the companies' production ability and significantly reduce costs of production and raw material. The merger is expected to lead to

the firing of workers and may also involve closing some of the production facilities to avoid duplication. Cvalim employs about 430 workers in four factories, while Cables has 310 workers in three plants.

The negotiations follow the decision by the Israel Electric Corp. and Bezek to allow foreign companies to participate in their tenders, a move which has significantly reduced Cvalim's and Cables' orders.

The cable companies forecast they will not be able to compete with the prices and quality of foreign firms unless they combine operations. Cvalim and Cables recently won a large part of an Electric Corp. international tender to supply cables.

The tender was won after the two companies offered to supply the cables at prices lower than those offered in the previous year.

## IIS didn't learn from failures overseas of Scitex, Elscint

COMMENT

NEIL COHEN

WHEN a company chairman begins his annual or quarterly statement by telling shareholders what an active period it has been for the company or how good sales have been, you can be sure that profits have gone down the toilet.

I looked back at IIS's annual 1993 report and was not disappointed - terrible fourth-quarter profits were buried in the statement, and indeed Chairman Jacob Herist said the year's higher profits better reflected the company's prospects than the poor fourth-quarter results. Two more sets of terrible results have shown it was really the fourth-quarter results that reflected the trend of its profits, and that trend is due south.

Despite the company's misplaced optimism, investors have cottoned on to the company's deteriorating prospects, and IIS's share price has plummeted from

\$33 to just over \$3 in less than a year.

As the firm has no debt and a reasonably sound balance sheet, it does not appear to be in any imminent danger, although the impact of changes in its market-place cannot be underestimated. This is why it is trading at a discount to net worth. Most of its assets are inventory and receivables whose true value is hard for an outsider to assess. If more of the assets were cash or marketable securities, the firm might be a takeover candidate. With its trading position so uncertain it seems unlikely anyone would be so brave.

IIS seems to be yet another example of an Israeli company laid low by unwise overseas acquisitions. It eagerly acquired significant sales in the US, but does not seem to have made any money there in the last nine months. The lessons of Scitex's and Elscint's early escapades just do not seem to have sunk in.

## BUSINESS BRIEFS

**BTG gets exclusive rights for Chinese anti-cancer drugs:** Biotechnology-General receives exclusive Biotechnology-General Corporation, whose scientific and manufacturing headquarters are located here, has received exclusive marketing rights in many countries to three anti-cancer drugs produced in China. They include the chemical equivalent of Taxol (a Bristol-Myers Squibb drug for ovarian, breast and perhaps lung cancer).

BTG president and chief executive officer Sim Fass said the agreement "represents a valuable new opportunity" for the company by expanding its pharmaceutical horizons.

**Committee to probe widening list of 'protected businesses':** A public committee to look into widening the list of protected businesses to be required to pay realistic rental fees will soon be set up, to be headed by retired judge Yisrael Giladi.

Tenants, property owners, the Histadrut and various government ministries will all be represented on the committee, whose formation will soon be announced in the press, according to Housing Minister Binyamin Ben-Eliezer.

Ben-Eliezer was responding to a petition to the High Court of Justice filed by the owners, who asked that bakeries, cafes, pita bakeries, Oriental and Chinese restaurants, jewelry stores and opticians, and other businesses where key money was not paid be included in the list.

**Exposure to imports has marginal influence on inflation:** Exposure of the economy to imports has a marginal influence on the rise in the inflation rate, the Manufacturers Association said yesterday. The association said exposure to imports will increase the trade deficit and reduce growth and employment.

**Bank Leumi ranked 163 worldwide:** Bank Leumi is ranked the country's largest bank, according to *The Banker*, a UK bankers magazine, ranking of the Bank Leumi is ranked 163 worldwide, unchanged from the previous year out of the list of the 1,000 largest banks in the world.

Bank Hapoalim was ranked No. 182, down nine places from the year before, while First International Bank was at 491, Bank Discount at 273 and the United Mizrahi Bank at 563.

## Jordan allowed to open Gulf Bank in territories

ISRAEL yesterday granted Jordan's Gulf Bank permission to operate in Judea and Samaria, officials said. Bank Chairman Zuhair Awartani said the bank would begin operating today.

Awartani said the bank, whose first branch will be in Nablus, hoped to help the Palestinians build up their economy.

The bank plans to open other branches in two to three months, depending on the performance of the first one. Jordanian Gulf Bank general manager Mohammed Khajjout said. It has 28 branches in Jordan.

A Jordanian-Israeli financial accord signed last year allowed the re-

opening of branches of Jordanian banks closed after the Six Day War.

Jamjoun said his bank, along with regular services, would focus on commercial banking and would target business from international aid flows once infrastructure activity picks up.

Jordan-Gulf Bank's assets at the end of 1993 stood at 104 million dinars (\$149.42 million), deposits at 61.5 million dinars (\$88.36m.) and credit facilities of 43.5 million dinars (\$62.5m.).

Bank of Jordan, the first Jordanian bank to resume business after the Israeli-PLO peace accord, opened its second branch in the territories in June.

## Evergreen sells 15% of Aryt

RACHEL NEIMAN

INVESTMENT fund Evergreen has announced it will sell a 15 percent stake in Aryt to the company's management.

Between 700,000 and 1 million shares will be sold at \$2.5 per share, close to the market price obtained during the negotiations.

With the completion of the sale, Aryt's senior management will hold a 27.5% stake in the company. Aryt CEO Yoram Oron, investor Yosef

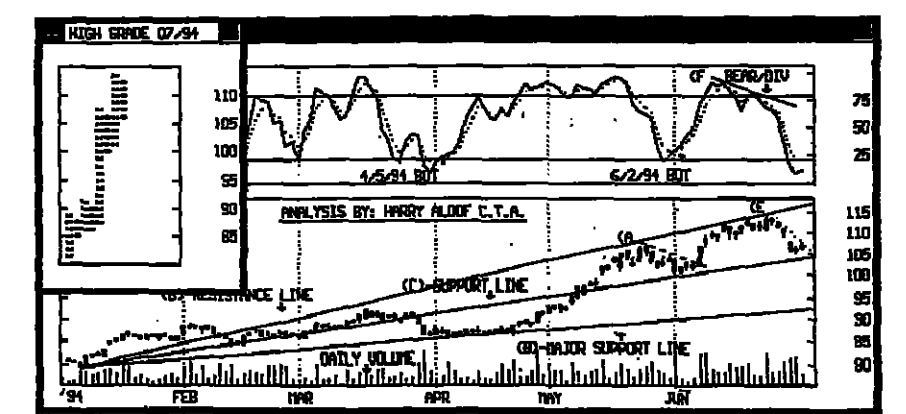
Geva and the Oram company currently hold a 7% stake, including options. Following the purchase, Geva is slated to be named chairman of the board.

The company registered a NIS 10 million net loss last year as a result of a goodwill write-off.

A second offer of \$3.25 per share was made to Evergreen, but they decided to stick to their prior commitment.

## JULY 1, 1994: THE COMMSTOCK REPORT ISSUES A BUY ALERT ON COPPER.

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COPPER, HIGH GRADE (JULY) EXPECTED TO RALLY ABOVE 1.22 \$/LB

COPPER (JULY): after moving up and penetrating line "A" on June 7, 1994 (see chart above) prices made a high of 114.35 on June 22, 1994. What followed, was a five day decline in Copper prices to the 105.30 price level. STOCHASTIC OSCILLATOR (STOC): after forming a bearish divergence in mid-June (see chart above) STOC moved back down and is now trading in overbought territory. POINT & FIGURE: a price of 114.35 suggests a reversal in trend (see chart above). Support is now at 105.30 and resistance is at 114.35. CONCLUSION: BUY COPPER, HIGH GRADE (JULY) AT 114.35 STOP. Use a protective stop of 105.30 (close only). Copper (July) is currently at 107.15 up 1.06 on June 30, 1994.

RISK / REWARD: \$1.025.00 VS. \$3.487.50 CURRENT R/R RATIO 3:1 \* Options considerations: YES!

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HOURS LATER, when world markets open, copper moves up over 300 points.

JULY 19, 1994: Copper reaches a high of 116.20 for a potential gain of \$2062.50 per contract.

The CommStock Report, edited by Senior Investment Advisor Harry Alof, is published on a regular basis by CommStock Trading Ltd. What's the market's next move? Get a free copy of the CommStock Report and find out! Call Alan Schwartz at (02) 244963 or return this coupon to: CommStock Trading, Ltd., POB 7777, Jerusalem 91077; fax: 02-244876.

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## Africa-Israel plans bid in state's sale of Shikun Ufituah

GALIT LIPKIS BECK

AFRICA Israel plans to participate in the government's sale of a controlling interest in Shikun Ufituah, general manager Shlomo Grofman said yesterday.

Earlier this month, the ministerial committee on privatization approved the sale of the construction company to a single investor or to a consortium.

The government is offering a minimum stake of 52 percent of the firm and up to the whole company. The remaining shares, if any, will be sold to the general public and Shikun Ufituah employees in an offering on the Tel Aviv Stock Exchange.

The Treasury is planning to sell the controlling interest by the end of the year and any remaining shares by

February.

The government unsuccessfully tried to hold a NIS 930 million offering for the company on the stock exchange in March. At the last moment the underwriters - Leumi and Co. Discount Underwriters, Hapoalim Capital Markets and Clal Issuing - backed out of the issue due to the poor conditions on the market.

The company, which controls 6.5% of the construction market, reported a rise in net profits last year to NIS 65m. from NIS 5.5m. in 1992.

The company's land holdings are estimated to be worth \$300m. Half the land is located in the center of the country, while 70% is situated in areas with demand for private construction.

## Kaul: Privatize when economy is down

JUDY SIEGEL

CONTRARY to conventional wisdom, when the stock market is in the doldrums it's time to privatize government companies, Bezek Director-General Yitzhak Kaul said.

Speaking yesterday at the annual conference of state company directors, Kaul said privatization gives the stock market a positive boost, attracts investors and "provides the capital market with a pep pill."

Over the past decade, since privatization became a declared goal of the government, the result is "not very impressive," he said. This slow progress "doesn't reflect an ideological

battle, because everybody is for this policy. But there are managerial and performance difficulties that slow privatization."

One of the problems that has delayed privatization at Bezek is that a decade after the company was founded there remain disputes over continuity of pension rights for hundreds of workers who came from the Communications Ministry.

Kaul said Bezek staffers insist they are opposed to the government giving up majority control of the company, because they fear their work agreements would be endangered.

## ISRAELI MONEY MARKETS

Patah (foreign currency deposit rates) (24.7.94)			
Currency (deposit term)	3 MONTHS	6 MONTHS	12 MONTHS
U.S. dollar (\$250,000)	4.000	4.500	5.000
German mark (DM 200,000)	3.500	3.875	4.250
French franc (FF 200,000)	3.875	3.875	4.250
Swiss franc (SF 200,000)	3.125	3.250	3.375
Yen (10 million yen)	0.625	0.625	0.675
Shekel Foreign Exchange Rates* (22.7.94)			
CHECKS AND TRANSFERS		BANKNOTES	
Buy	Sell	Buy	Sell
U.S. dollar	3.9550	3.4020	3.9750
German mark	1.9508	2.0791	3.9750
French franc	4.8302	4.8896	1.9103
Japanese yen (100)	3.0753	3.0850	4.5506
Dutch florin	1.9881	1.7221	3.0200
Swiss franc	2.2507	2.2925	1.7096
Scandinavian krona	0.6859	0.6450	2.2900
Denmark krona	0.4886	0.4833	0.4396
Finnish mark	2.2035	2.2537	0.4857
Canadian dollar	0.5810	0.5892	0.5800
Australian dollar	2.2407	2.2754	2.2500
S. African rand	0.8228	0.8343	2.2500
Belgian franc (10)	0.8251	0.9382	0.8250
Austrian schilling (10)	2.7073	2.7455	0.9211
Italian lire (1000)	1.1712	1.2442	2.7200
Japanese yen (100)	1.1712	1.2442	1.9278
Spanish peseta (100)	2.2511	2.2478	3.8881
EU	3.8485	3.6980	4.5850
May part	4.8710	4.6358	4.7400
Spanish peseta (100)	2.2511	2.2478	2.3278

\* These rates vary according to bank. \*\* Bank of Israel.

SOURCE: BANK LEUMI



# Laying down the law for US students

STEVE RODAN

BURT Caine recalls his first telephone call to Egypt from here. It was to a professor at Cairo University whom Caine wanted to bring to Israel to talk about peace and the law.

It was 1978, and Caine's goal was to arrange meetings between Israelis and Egyptians in an attempt to warm the newly peaceful relations between the two countries. The idea was for a summer seminar cosponsored by Tel Aviv University and Temple University in Philadelphia.

It worked, and 16 years later, Caine, a law professor at Temple, says he might be realizing a far greater dream — to bring Israeli academics together with their counterparts from all over the Arab world to teach courses to first-year American law students.

"I want to go to other Arab countries," he says. "I want to have a program with Jordan and Lebanon. I want to have a full Middle East program." There are comparable programs for American law students in other parts of the world.

Caine, 66, and his wife, Shulamit, are no strangers to Israeli society. The Caines taught their three children Hebrew, and all of them are fluent in the language.

Another six-week summer seminar recently came to a close with students taking examinations. Once again, the schedule was packed. Palestinian jurists such as Raji Sourani of the Gaza Center for Rights and Law lectured on the legal aspects of the new Palestinian Authority.

On the Israeli side, leading law professors such as Yoram Dinstein, Amos Shapira and Yoram Shachar met the American students. In previous years, lecturers included former cabinet secretary Elyakim Rubinstein and Foreign Ministry legal adviser Yoel Singer.

The students came from a variety of backgrounds. Included in this year's enrollment were two Ukrainians and an American Indian intent on seeing whether the peace efforts made in the Middle East could be used to reconcile native Americans and the US government. Another student is Saeb Younis, an Israeli Arab from Kafr Ara who is now studying in the US.

Caine says the Arab-Israeli peace talks and the political unrest in Israel provide endless food for thought among his students. Some of the questions discussed in class: Is the Ameri-



Prof. Burt Caine tries to advance peace through law studies. (Ailon Ron/Israel Sun)

can system of virtually complete freedom of speech applicable in such a volatile society as Israel's? Does Israel's lack of a constitution hurt the country's legal system?

Caine is a big fan of Israeli jurists and says he generally favors the legal approach here. He speaks in awe of such figures as Supreme Court Justice Aharon Barak.

"Students normally come to the conclusion that Israel's Supreme Court rulings are better than those of the US Supreme Court," he says. "They are more logical. That is startling, given the fact that Israel has no constitution."

"On the other hand, Israel does shut down newspapers," he adds. "Americans are shocked by that. I come to the conclusion that a lot of what is done in this regard is sad but expectable."

THE LAST two years have been bittersweet for Caine's program. On the one hand, it was a period of intense diplomatic activity in the Middle East. But at the same time, the semes-

ter has been hampered by travel restrictions. Caine was not able to take his students to Egypt to meet with officials and law professors as he did in previous years. The dean of Temple, he says, prohibited travel to Egypt because of fears of terrorist attack.

"I wanted to go to Cairo this year," Caine says, but his dean said he didn't want to read a newspaper headline that announced: "Temple University student killed in Egypt." So Caine decided to bring Egypt to his students. He invited Osama el-Baz, President Hosni Mubarak's senior adviser, to Tel Aviv for a lecture. El-Baz, whom Caine has met some 15 times, accepted and a date was set for June 28.

But two days before his arrival, el-Baz, who is battling cancer, said his doctors told him he could not travel. The Egyptian adviser had also planned to meet with Israeli leaders to discuss the peace process and the possibility of a visit by Mubarak, Israeli sources say.

Caine says he owes a lot to el-Baz, who was one of the first Egyptians genuinely interested in developing contacts with Israel.

Caine says el-Baz was an exception among Egyptians. He recalls the difficulties, often caused by the Egyptian bureaucracy, of getting Egyptians to come to Israel for lectures. One of his first Egyptian lecturers told Caine that he had had to acquire a second passport to make the trip.

Other problems came from colleagues of interested law professors. "Among the most reactionary people there are the lawyers," Caine says. "El-Baz told me, 'I have a problem with the law faculty. They don't want to do this.' I think this prejudice will melt."

"Once you get below the level of el-Baz, you get some pretty hard-line people," Caine adds. "The peace with Egypt is at a fragile level."

For a while, he says, US diplomats appeared cool to Caine's project. He says the US Embassy in Cairo didn't think there was much that could be done to interest Egyptians in a program that involved Israel.

"They always thought the timing was wrong," Caine is quick to throw in some warm memories. Several years ago, the Egyptians took the visiting law students on a boat trip along the Nile.

"There were belly dancers dancing away and we were having a wonderful time," he recalls. "Then, one diplomat said in a stage-whisper, 'Isn't this better than making war?'"



Not even Raisa Gorbachev, pictured here with her husband, Mikhail, on a visit to Vilnius, could escape the curse of the Kremlin wife. She suffered a nervous breakdown when the family was kept under house arrest by the coup plotters in 1991. (AFP)

## The curse of the Kremlin wife: A choice of jail or the kitchen

BOOKS

ALAN PHILIPS

THE life of a first lady is never easy. But in the Soviet Union, the position was a curse — often resulting in early death, prison or impoverished retirement, according to a new book.

*Kremlin Wives* says the grim tone was set by Stalin, whose fragile and highly strung wife Nadezhda was found dead with a revolver by her side in 1932. She was almost certainly driven to suicide by her husband's bullying and mental torture.

It pleased the despot to taunt his wife that he was her father as well as her husband — quite possible, given the age difference (he was 39 and she 16 when they married), their physical resemblance and his widely reputed affair with Nadezhda's mother.

The Stalin regime's number two, Vyacheslav Molotov, lost his wife Paulina to the Gulag, given a five-year sentence for associating with international Jewry. The civil war hero, Marshal Semyon Budenny, had his second wife taken from him for dancing with the Polish ambassador.

*Kremlin Wives* is written by Larisa Vasilyeva, a Moscow writer who has wanted to relate the tragedies since she was a girl.

Her big break came after the failed coup of 1991, when the KGB granted her wish to look at the files of the women who were jailed on Stalin's orders while their husbands continued cravenly to serve him.

When published in Russian, her book went instantly into two pirate editions, the Moscow equivalent of best-sellerdom.

"All the Kremlin wives lived well in material terms," Vasilyeva said. "They came from lives of poverty or devotion to the revolution and won the lucky ticket which allowed them to live in the old

quarters of the tsars. But they were all beaten by the system."

"When their tenure was over, they discovered that they were left with nothing. Everything belonged to the state."

Another disturbing aspect is the cowardice of the men who dared not even ask Stalin to release their wives.

Molotov is singled out for particular scorn.

"His conduct was frankly disgusting. He was afraid — for himself, for her and for the whole family."

Every time the politburo met, Lavrenty Beria, the depraved secret police chief who employed a staff to crawl the streets of Moscow for young girls to take to his bed, would hiss in Molotov's ear: "Paulina's alive." It was only on the day of Stalin's funeral that Molotov dared ask for his wife's release.

"After the revolution, women stood shoulder to shoulder with their husbands, like Lenin's wife Krupskaya," Vasilyeva said. "Under Stalin, they were offered the choice of jail or the kitchen."

Khrushchev's wife, Nina, was the first to accept this reduced role, setting the tone and dumpy style for a line of self-effacing first ladies.

No one pretends that the life of Naina Yeltsin, the current first lady, has been easy. With the president's record of getting into all manner of scrapes and, according to his enemies, a fondness for the bottle, he cannot be the easiest man to live with.

"But she belongs to a different story," the author said.

"The terrible chapter of the Soviet period, when the men could not share their lives with their women, is over." (The Daily Telegraph)

## When a soldier cannot muster evidence needed to claim an invalidity pension

LAW REPORT

ASHER FELIX LANDAU

In the Supreme Court, sitting as a Court of Civil Appeals, before Justices Dov Levin, Gavriel Bach and Eliyahu Mazza, in the matter of Rafael Razi, appellant, versus The Pensions Officer, Ministry of Defense, respondent (C.A. 6274/92).

THE appellant Razi was knocked down by a cannon wheel in 1976 while on reserve service. He suffered fractures of his pelvic bones, lacerations in various organs in the lower abdominal cavity, and damage to the left sciatic nerve. As a result he was classified as suffering from 47 percent permanent disability under the Invalids (Pensions and Rehabilitation) Law (Consolidated Version) of 1959.

About a year after the accident Razi's head tended to incline slightly to the right, but this feature caused him no inconvenience. However, in 1981 he began to suffer from pains and inability to straighten his head, and in 1982 twitches started in his chin. Later that year he was hospitalized and found to be suffering from Spasmodic Torticollis (ST).

Razi presented an additional claim to the pensions officer based on the ST. It was rejected on the ground of insufficient proof connecting that disease with his service. Razi appealed successfully to an appeals committee under section 26 of the above Law, but the pensions officer appealed to the District Court which allowed his appeal. Razi then appealed to the Supreme Court.

JUSTICE BACH delivered the first judgment of the court. Citing Supreme Court precedents, he reiterated that just as the onus of proof in all civil cases rested with the plaintiff, an army invalid who claimed a pension had to prove the connection between his invalidity and his army service. Nevertheless, the court had adopted a more lenient approach in applying the above Law, which was passed to ease the lot of those who exposed themselves to the greatest possible danger for the state.

The rule had therefore evolved that where there were conflicting expert opinions as to whether the invalid's condition was caused by his service, the view favoring his claim was to be adopted.

Justice Bach then referred to the American and English law on the point at issue. In America the connection between the disability and the disease was to be accepted as long as the appearance of the disease or injury was consistent with the conditions, circumstances or difficulties of the service, any reasonable doubt being resolved in the invalid's favor.

It was the law in England that the secretary of state whose duty it was to rule on whether the disease was attributable to service "must not decide against the claimant on a mere balance of probabilities. There must be a real preponderance of probabilities against the claimant, sufficient to exclude reasonable doubt.... [The fact that] it has never been shown that any factors common to service life play any part in the origin or aggravation [of the disease] or merely that nothing is known about

its cause [are not sufficient]." Justice Bach then observed that although Israeli precedents did not reach so high a degree of liberalism, the court must depart from the principles already laid down.

The District Court, Justice Bach continued, had construed the Israeli precedents to hold that "if the experts do not know the cause of the illness, and if it has some connection with another factor (other than military service), there is an indication of an absence of a connection between the illness and the service..." and the invalid's claim must be dismissed. This was too wide an interpretation of the court's rulings.

Each case, he held, was to be decided on its own circumstances. Even if the etiology of a particular disease was unclear or had only been partially investigated or was the subject of conflicting opinions, the invalid's claim was not necessarily to be dismissed.

Justice Bach then analyzed the medical evidence in some detail, considering separately the summaries of the disease, the medical opinions, medical articles and the photographs. He also observed that the appeals committee had recognized Razi's claim although the connection between the disease and the accident had not been clearly proved, and even the majority of the District Court, although dismissing the claim, had held that there was "some basis" for such a connection.

Justice Bach then ruled that Razi had sufficiently established a connection between the disease and the accident for the following reasons: the accident was serious, leading to a 47 percent permanent disability; 20% of the disability was based on damage to a central nerve; ST was a nervous disease, and the possibility of its having been caused by severe trauma following physical injury could not be excluded; and no other cause of the disease had been indicated.

He also relied particularly on the court's judgment in Hecht's case (C.A. 192/85-The Jerusalem Post of September 26, 1990).

There was no clear tested medical knowledge of a particular disease, Justice Mazza continued, a sharp distinction was to be drawn between cases in which there were conflicting opinions as to the disease and its development and others in which no authoritative medical opinion was available.

The court had held that in the first situation the invalid claimant was entitled to succeed if one opinion favored his case. The authorities also showed, however, that in the second situation the invalid could not succeed. To his regret, Justice Mazza said, that was the position in the present case, for no qualified medical source was prepared to confirm the connection between the accident and the disease.

Citing Supreme Court precedents, Justice Mazza added that he was unable to accept the test of the connection between the accident and the disease being "eminently logical" as sufficient to base the invalid's claim.

He proposed, therefore, that the appeal be dismissed.

JUSTICE LEVIN, ruling that there was no alternative, concurred with Justice Mazza.

For the above reasons, and by majority decision, the appeal was dismissed. Razi appeared in person, and Moshe Golan, Senior Assistant State Attorney, appeared for the Pensions Officer.

The judgment was given on July 13, 1994.

### Ports & Railways Authority

#### Head Office

#### NOTICE OF PROPOSED PURCHASES

1. The Ports and Railways Authority - Israel (P.R.A.), in accordance with its obligations with regard to selective tendering procedures, under the International Agreement on Government Procurement, GATT, wishes to obtain quotations for the supply of the following equipment:

Item	Tender No.	Description	Quantity	Addl. Opt.
1.1	9411/001	G.R.P. Pilot Boat	1	1

- Requested start of delivery — as soon as possible. Shipyard or boat builders who wish to submit quotations for the above mentioned equipment are invited to notify the P.R.A. in writing.
- Pre-requirements of Participants
- To be an established shipyard/boat builder.
- To have proven experience of at least five years in building G.R.P. boats.
- To have in possession clear-approved drawings for the proposed hull lines
- To have built a similar pilot boat which is in operation.
- Tender documentation and specifications of the boat are available starting 25/7/94, all of the forms and proposals must be submitted in English.
- The P.R.A. is not obligated to purchase any equipment which is offered and may, at any time, revise or cancel its request as to the type and quantity of the equipment it wishes to purchase. Further, the P.R.A. is not obligated to purchase the lowest priced equipment which might be offered by any potential manufacturer. The P.R.A. reserves the right to proceed with or discontinue negotiations with any or all potential manufacturers, as specified in the Tender's documentation.
- The last date for receiving Tender Documentation is 9/8/94.
- The last date to submit the proposals is 8/9/94 at 3 p.m.
- The address for the receipt of the Tender Documentation and to submit the proposals is: Pines Ephraim, Superintendent of Purchasing Ports and Railways Authority - Israel, Men House 74 Pines House Road, 11th Floor, Room 1125 Tel Aviv 61201, Israel.
- Proposals by fax will not be accepted.



Ports & Railways Authority - Israel

Men House

74 Pines House Road, 11th Floor, Room 1125

Tel Aviv 61201, Israel

Proposals by fax will not be accepted.

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## An essential ingredient for clean water

EARTHLY CONCERNS

D'VORA BEN SHAUL

THERE'S certainly nothing impressive about duckweed, at least not if you go by external appearances. It's nothing more than a flat green glob floating on the water, a clump of thin, white, hair-like roots dangling from it.

The little plant's Latin names, *Spirodela polyrrhiza* (L.) Schleid and *Lemna polyrrhiza* L., are far more imposing than the plant which, in Hebrew, is called *agunit rabat-shorashim*.

But its importance to the environment may be more impressive than one imagines.

As world populations burgeon, sewage water is increasing to a point where experts fear that conventional treatment soon will not be able to handle the load.

These hi-tech systems depend on thousands of kilometers of collection pipes and channels, emergency outlets, gigantic processing tanks, turbine engines and a continuous supply of energy to keep everything moving.

As technology grows more and more expensive and energy sources become more limited, it is almost impossible to repair or upgrade existing facilities.

Yet these millions of liters of sewage water need to be treated before they are returned to the environment. The water that can

be recycled from these systems might make a difference between life and death in places where it is the principal source of water for agriculture.

Experiments have shown that duckweed can play a vital part in purifying water to the point where it is suitable for growing crops. The raw sewage is first channeled into large ponds for sedimentation, where all coarser matter settles at the bottom.

This sludge can later be chemically treated for sanitary purposes and used as fertilizer. The supernatant water is then transferred to a second pond,

where it is oxygenated. At this point, anaerobic organisms (those that live in an airless environment) die off, and aerobic bacteria that thrive on oxygen break down a large portion of the organic material in the water.

The water then passes into a third pond, where it is seeded with duckweed. The only thing needed now is sunlight and air. The floating duckweed reproduces at an amazing rate, and soon the entire surface of the water is a solid carpet of little green leaves.

A planting the size of a human thumb will develop enough new plants to cover six dunams in 55 days under optimal conditions.

This can be raked from the surface and used as a high-quality cattle food.

### Rabbinical Council of America

Rabbinical Council of America - Israel Region

President: Rabbi Louis Bernstein Honorary President: Rabbi Moshe S. Gorelik

### COLLOQUIUM

July 26 - 27

Hotel Renaissance, Jerusalem

### PROGRAM

Colloquium Chairman: Rabbi Bernard Rosensweig

Colloquium Co-Chairman: Rabbi Solomon Sharfman

Colloquium Coordinator: Rabbi Naftali Hollander

Tuesday, July 26

9:30 a.m. - 1:00 p.m.

The Status of Jerusalem - Legal, Legislative and Halachic Aspects

Chairman:

Rabbi Abraham Zuroff

Participants:

Rabbi Yisrael Meir Lau, Chief Rabbi of Israel

Rabbi Bernard Rosensweig

Prof. Moshe Shitrit

Mr. Moshe Drori, Adv.

Wednesday, July 27

9:30 a.m. - 1:00 p.m.

Preserving the Jewish Character of the State of Israel

Chairman:

Rabbi Max Schreiber

Co-Chairman:

Rabbi Yisaya Heisler

Participants:

Chief Rabbi Elyahu Bakshi-Doron, Rishon LeZion

Rabbi Yehuda Pinsky

Rabbi Shubert Spero

Rabbi Shear-Yashuv Cohen

5:45 p.m. - Tour of City Hall and Civic Center

8:30 p.m. - Meeting with Ehud Olmert, Mayor of Jerusalem

Chairman:

Rabbi Avin Marcus

Co-Chairman:

Rabbi Yaakov Gordon

Thursday, July 28

9:30 a.m. - 1:00 p.m.

The Communication of Values

Chairman:

Rabbi Moshe Pollin

Participants:

Rabbi Yisrael Meir Lau, Chief Rabbi of Israel

Chief Rabbi Elyahu Bakshi-Doron, Rishon LeZion

Rabbi Simcha Hakohen Kook

Prof. Reuven Schindler, Bar-Ilan University

Prof. Stanley Schneider, Würzweiler School of Social Work

Prof. Eliezer Jaffe, Hebrew University School of Social Work

Rabbi Naftali Hollander, Project Director

In cooperation with the Chief Rabbinate, the Jewish Agency for Israel, and the Ministry of Religious Affairs.

YU Alumni and Members of Young Israel an. OU are cordially invited to attend. For additional information, call 02-251923.

9/8/94

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9/8/94



# Ruling paves way for Haifa Labor Council, Co-Op Tzafon to start Carmel development

## Key Representative Rates

	Change
US dollar ...NIS 3.0580	---
Sterling ...NIS 4.6566	---
Mark ...NIS 1.9163	---

## Jump in Apple profit exceeds expectations

WASHINGTON — Apple Computer Inc. beat Wall Street's expectations Friday with strong results from its third quarter.

The better returns resulted in part from cost-cutting and healthy sales of Power Macintoshes and other new computers, analysts said.

The company reported that profits from day-to-day operations during the quarter rose fivefold — to \$39.5 million, or 50 cents a share — compared with the same quarter in the previous fiscal year.

Revenues reached \$2.15 billion, up 15 percent.

"It's a good quarter," said John Rossi, an analyst with Robertson, Stephens & Co., a securities firm in San Francisco. "It's above what I've been forecasting and much better than I had feared."

Investors bought Apple's shares enthusiastically following the news, pushing the price up 11 percent to \$31 and making it the fourth-most-traded stock of the day.

Over recent months, Apple had been dogged by talk that people have been slow to buy its latest machines, in particular, its Power Macintosh models. They compete against personal computers based on Intel Corp.'s fast 486 and "Pentium" chips.

Rossi said sales of Power Macintoshes grew "in a respectable fashion."

The company shipped more than 200,000, and introduced new PowerBook portable computers and other high-end systems.

More important than the total number of computers was the types. The company had been selling older generations of computers at dramatic discounts, which translated into paper-thin returns. "The old ones were essentially a public service project," Rossi said.

In contrast, the Power Macintoshes are reaping a healthy profit for Apple. Apple managers also have tightened up the company's once-legendary high expenses, pointed out Roxane Goggin, an analyst with securities firm Gruntal & Co.

Restructuring plans have proceeded briskly and the company has shelved plans to relocate some of its operations.

## Copper surges in London, New York

## COMMODITIES ROUNDUP

COPPER surged ahead last week, on both the London Metal Exchange (LME) and the New York Commodity Exchange, Inc. (Comex).

The closing value for the London three-month position was \$2,514 per ton, up \$35 from the previous week. In New York the active September contract closed 190 points higher at 114.40 cents per pound.

Tuesday's session in New York saw a high of 116.90 cents per pound, representing a level not seen for the first time since August 1992.

This performance was the inspiration for the rally that followed on Wednesday in London, when the red metal soared \$77.50 per ton to reach a level of \$2,593 per ton.

Analysts feel that in both centers it was, once again, the effect of commodity fund buying that was responsible for the move.

The rationale for the involvement of fund managers in copper specifically is that it is widely acknowledged to be among the most responsive of the metals in its reaction to an upswing in economic activity.

There were no further gains, however, in the latter part of the week. Participants do remain bullish as, technically, some important consolidation was achieved in Thursday's and Friday's sessions.

Moreover, a weekly close above the significant \$2,500 per ton level in London is deemed constructive for the psychology of the market.

On Thursday, the LME reported a drop in stocks of 1,325 tons to 339,600 tons.

Cocoa in London last week closed higher with the September contract finishing at £1,092 per ton, up £24 from the previous week.

Monday saw prices skyrocket to £1,116 per ton, levels not seen for the past six and a half years.

The move was prompted by an eleventh-hour rally on the New York Coffee, Cocoa and Sugar Exchange at the end of the previous week, when a high of \$1,530 per ton was achieved.

Once again responsible for this sudden leap in price was the sudden entry into the market by commodity fund managers.

In addition, supporting the market is the scenario of depleting stocks and increasing demand as the Christmas manufacturing cycle is a matter of a few weeks away.

Courtesy Daniel Halfon, ComStock Trading Ltd.

CO-OP Tzafon and the Haifa Labor Council plan to construct residential and commercial buildings on four dams in the heart of the Carmel after an arbitrator ruled on a dispute between them over ownership of the plot.

Last week, an arbitrator ruled the supermarket chain has a 45 percent share of the plot, while the labor council owns the remaining 55 percent.

The owners plan to construct housing units and commercial areas on a 10,000 square meter plot, situated close to Haifa's auditorium on Sderot Hama.

A Co-Op Tzafon branch and basketball court are already situated on the plot.

The Hadera-based Bnei Benjamin Lekezer firm has started construction of a housing development of 550 units in Hadera at a total investment of \$60 million. The company is constructing the Amnat Dania development on 150 dams.

The company plans to sell 133 sq.m. duplexes for \$140,000 and cottage apartments starting from \$145,000. It has already sold the majority of the 150 housing units constructed in the first stage of the development.

The housing development will also include three-, four- and five-room apartments situated in three, seven-floor tower buildings. The cost of a three-room, 97-sq.m. apartment, in addition to a 10-sq.m. balcony, is \$100,000.

The Al-Rov group announced it has sold 70 percent of the apartments available in the Opera Tower, a residential development in the heart of Tel Aviv.

Al-Rov, a public company founded and managed by Alred Akrov, invested NIS 170m. in the development, which is situated above the Opera shopping mall. Akrov said the building was designed to offer buyers unconstructed space and unfinished apartments on certain floors.

According to Akrov, some buyers prefer to individually design their homes. The developers are currently offering for sale 460 sq.m. on the eighth floor for \$2.5m. The space is suitable for construction of a seven-room apartment or a more spacious three- to four-room apartment.

Al-Rov recently sold a four-room apartment on the 22nd floor for \$1.27m. The 200-sq.m. apartment overlooks Jaffa, the sea and the city center. A three-room, 125 sq.m. apartment on the fifth floor, was sold

## REAL ESTATE ROUNDUP

GALIT LIPKIS BECK

for \$750,000.

The company reported the price of a two-room apartment is between \$300,000 (without a sea view) and \$550,000 (overlooks the beach). Three-room apartments are sold for between \$595,000 and 900,000, while four-room apartments are sold for between \$775,000 and \$250,000.

Al-Rov reported it has a luxurious 178-sq.m. apartment left for sale on the seventh floor for \$990,000. The Opera Tower offers residents a wide variety of services. These include swimming pool, gym business center and hotel facilities, such as catering facilities and public rooms for social functions.

Rim Industries has opened two furniture shops on Derech Hebron in Beersheba.

The company announced it rented 500 sq.m. from YBAS for \$9 per square meter.

Rim has rented the space for three years, with an option to extend the contract.

The company invested

NIS 200,000 in opening the new shops.

The first penthouse available in the Nevah David housing development in Ramle was sold for a record price of \$225,000 to a buyer from the area. The 215-sq.m. penthouse has six rooms and two garden balconies.

Avi Hamami — marketing manager of Hamami Brothers, the company constructing the building — said the price of the penthouse is higher than other apartments in Ramle and reflects the buyers' confidence in the development.

According to Hamami Brothers marketing division, the Nevah David development has increased housing prices in the Ramle-Lod area by between 15% and 20%.

The developers reported the sale of 250 of the 300 cottages available in the framework of the development and 140 of the 156 apartments available in the apartment blocks.

In related news, the Hamami Brothers announced it has started marketing commercial space in the

Nevah David development. The commercial center is situated on 1,400 sq.m. in the heart of the housing district. The center will include about 20 shops.

The developers plan to sell commercial units of between 40 sq.m. and 400 sq.m. for about \$3,000 per square meter. First buyers will be able to purchase space at a reduced price of \$2,750 per square meter.

The company announced that a Tel Aviv businessman has purchased an 83.5-sq.m. shop for \$2,750 per square meter and an additional 34 sq.m. of storage space for \$2,250 sq.m.

The Hazahav shopping mall in Rishon LeZion reported it has signed new lease contracts with shop owners after completion of the first year of business.

The mall owners, Moshe and Yigal Gindi, said they have a waiting list of persons interested in renting shops in the family products field.

Managing director of the mall, Menahem Mira, is currently completing negotiations to rent space out in the mall's second stage. Construction of the mall's second division is scheduled to start within a few days. The space is intended mainly for large branches.

The Gindi brothers announced they

are encouraging shop owners to design shopping windows to international standards and have also offered assistance in training workers to deal with customers.

The Haifa-based Engel General Construction Co., the owners of the Orif shopping mall in Or Akiva, announced seven leading chains have reserved themselves space in it.

Construction is scheduled to end next March, and the developers expect to invest about 15 million in the 12,000 sq.m. mall, which will contain 50 shops, cinemas and Maccabi health facilities.

Anglo Saxon's Ness Ziona branch is offering for sale a 217-sq.m. penthouse for \$450,000. The four-room luxurious penthouse includes a 30-sq.m. balcony.

Anglo Saxon's Savion branch is offering for sale a two-floor cottage in Or Yehuda for \$385,000. The 272-sq.m. cottage is situated on a 300-sq.m. plot. The four-room cottage includes four bathrooms and balconies on a total area of 80 sq.m.

Caesarea Development Company is offering for sale 24 plots, of one dunam each, for \$100,000. The plots, which are intended for light industries, are available in the new industrial park in Caesarea-Or Akiva.

## Greenspan: Fed, Clinton working to protect dollar

WASHINGTON (AP) — Federal Reserve Chairman Alan Greenspan, striving to calm jittery currency markets, told Congress on Friday that the US central bank and the Clinton administration are working closely together to protect the dollar in the face of the battering it has taken at the hands of world currency traders.

Greenspan went out of his way to emphasize that the Fed and the Clinton administration are in total agreement that the United States would benefit from a stronger dollar.

"Clearly, it is in our interests to have a stronger dollar," Greenspan told a House Banking subcommittee. "It is very important that we... recognize... that a stronger dollar essentially helps the United States and helps our trading partners."

Greenspan did not say specifically what the Fed would do to defend the dollar. But, as he had at an appearance Wednesday, Greenspan said that the dollar's plunge was especially worrisome because it indicated inflationary worries among foreign investors.

Greenspan's comments Friday and the earlier ones before the Senate banking committee were

viewed by analysts as laying the groundwork for another round of interest rate hikes to calm inflation fears and bolster the greenback.

The Fed has so far this year boosted short-term interest rates by 1.25 percentage points, pushing the federal funds rate, the interest that banks charge each other, to 4.25 percent. Some economists said the next rate hike could come as soon as the August 16 meeting of Fed policymakers.

Higher US interest rates bolster the dollar by giving foreigners more of a return on their dollar-denominated investments.

At one point Friday, Greenspan specifically said, "What we don't wish to see happening is a loss of confidence in the productivity of dollar-denominated assets."

Greenspan said he was in agreement with recent comments by Treasury Secretary Lloyd Bentsen and Treasury Undersecretary Lawrence Summers in support of the dollar.

Summers, Bentsen and Greenspan at different times last week engaged in a cheerleading effort to dissuade markets from continuing to pound the dollar, which in the past month has hit a 50-year

low against the Japanese yen and also fallen significantly against the German mark and other European currencies.

That effort seemed to be having some effect. The dollar rebounded sharply on Thursday following strong statements by Summers, and it rose again Friday when Greenspan appeared to go forward in his dollar-support effort than he had during a Wednesday committee appearance.

"They are all singing out of the same hymnal now. The administration and the Fed are presenting a united front in an effort to convince currency traders that there is no hint of disarray among US policymakers," said David Wyss, an economist at DRI-McGraw Hill Inc. in Lexington, Massachusetts.

The dollar went into a nosedive earlier this year when currency markets became convinced that the Clinton administration, despite its protestations, secretly wanted a lower dollar as a way to curb a burgeoning trade deficit with Japan.

Markets also believed the Fed was more focused on the domestic US economy and indifferent to dollar developments.

## Ireland praised as high-tech heaven of Europe

DUBLIN (Reuters) — Ireland's green and pleasant land has become fertile ground in recent years for foreign high technology companies which want to plant roots in Europe.

Dell Computer Corp has announced the latest in a series of expansions here, and WordPerfect, a unit of Novell Inc., was reported to be thinking of moving its manufacturing operation from the Netherlands to Ireland.

But what is it about a small, windswept island situated right on the fringes of Europe which should attract those at the forefront of modern technology?

The biggest overseas investor in the country, microchip maker Intel, chose Ireland for its state-of-the-art European "state-of-the-art" plant there, including Scotland and Wales.

It gave many reasons for the decision, of which financial incentives and a highly-educated workforce were the strongest.

Tom Hartman is general manager of Ireland of Intel, and was instrumental in choosing Ireland as the site for Intel's newest microchip factory in Leixlip, 16 kilometers southwest of Dublin.

"The 10 percent corporate tax rate was certainly an incentive," he said. Corporate tax is fixed at this rate until 2010, offering a secure environment for investment.

Overseas companies pay 375 million points (\$579.2 million) in corporation tax every year while the total amount of government grants given to the sector is under 70 million (\$108.1m.).

The Irish government made a concerted attempt to promote the Emerald Isle as a haven for high-tech with the establishment of a special agency, IDA Ireland, in 1993.

IDA markets Ireland as a location and gives grants to overseas companies which want to set-up shop here — it will give Intel about \$5 million points (\$131.3m.) in total.

Having a well-educated English-speaking workforce on tap was another bonus for Hartman. "The difficulty factor here was not having experienced people. There is excellent education and many new college graduates, but people with experience in this industry are relatively limited," he said.

A survey of 23 OECD countries placed Ireland top of the list for the availability of skilled labor. In 1989, 27.5 percent of the population was in full-time education. This was ahead of France, the US, the Netherlands, the UK and Germany.

The multinational sector in Ireland accounts for 70% of the country's total manufactured exports and employs 95,000 — 44% of the manufacturing workforce — and that's the same number again indirectly through subcontractors and services.

Dell Computer Corp's marketing and communications manager for Ireland, Annette Condon, said Ireland was the No. 1 choice of everyone contacted by the company's founder, Michael Dell, in his search for a European site.

The company's only European manufacturing center and its European center for parts, services, distribution and logistics is located in Limerick, in the west of Ireland, and in 1992 it opened a telemarketing center in Bray, south of Dublin.

"Michael Dell has said that even if the government support was taken away, all the other reasons still make Ireland a very good location for doing business in Europe," Condon said.

She highlighted a good telecommunications infrastructure, necessary for Dell's telemarketing operation, the high caliber of the employees, an English-speaking workforce with language skills and world-class suppliers situated in Ireland.

"Dell had expectations based on [good] feedback from other US electronic companies based in Ireland," said Condon.

## Market declines on mediocre turnover

## TEL AVIV STOCK MARKET

ANDRE LUMBROSO

	176.65	177.96	178.34
	-1.92%	-2.13%	N.C.
Two-Sided Index			
Maof Index			
Karam Index			

THE market declined on mediocre turnovers yesterday, as the Two-Sided Index fell 1.9 percent and the Maof 2.1%, while the Karam Index closed with no change.

Turnover was NIS 160 million, with only NIS 55m. traded on the Karam (including the Parallel List).

Tendency was mixed during the morning trading, with a small excess of sell orders of NIS 4m. on the Karam market.

The mood improved as the day went on, and the Karam Index closed with no change. Trades were different on the Two-Sided market.

There was selling pressure on the blue chips. Koor declined 3.2% on a turnover of NIS 7.5m., or nearly 5% of the total turnover on the market.

Israel Chemicals was down 4.6%, Elbit 5.2%, Elron 4.7%, Discount Investment 3%, ILDC 5%, Dead Sea 3.5%, Clal Israel 3.2% and Clal Industries fell 3.3%.

One exception was Teva, which was up 2.7% as a result of arbitrage buying.

What all these shares have in common is that they are part of the Maof Index. It must be a coincidence, but the end of this week is the exercise date of the Maof July Options.

In contrast to the previous exercise of options last May, when the Puts were in the money, there is now a more even spread of options around the present Maof Index.

A declining market is in the interest of Call Options writers, as well as holders of PUT options. At present, there are more positions PUT open at July 170 and more positions CALL July at 180. All this should make for an interesting week.

The news of the day there was the announcement that Cables of Zion United Works (Clal group) and Cyalco (The Electric Wire & Cable Co.) (Ofer group) have entered negotiations to merge the two companies. Electric Cables rose 5.5%.

Danbar declined 10% in reaction to the sharp declines in the shares of IIS in New York, which were held by Danbar. Meir Ezer fell 8% and Liphshir was down 8.4%, now that the dust has settled over the takeover of the company. Malal fell 7.6%.

The Bank of Israel is due to announce the parameters of its monetary policy for the month of August, and the question which preoccupies the investors is not so much whether the central bank will raise the interest rate, but rather by how much.

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SOURCE: ISRAEL DISCOUNT BANK



# S. Africa triumphs at Lord's Indurain wins 4th straight Tour

LONDON (AP) — South Africa completed a triumphant return to the home of cricket yesterday by bowing out a punchless England attack in less than four hours, beating the hosts by 356 runs with more than a day to spare.

Craig Matthews and Brian McMillan took three wickets apiece as England, given a target of 456 when South Africa declared at lunch, could only manage 99 runs.

It was another low in a humiliating two-year spell for the country that invented the game. Never before had England been bowled out for less than 100 at Lord's. Its previous lowest score for an innings at the hallowed ground was 116 against Australia in 1972.

The victory was South Africa's first at Lord's in 59 years, and sealed once and for all the end of the country's international cricket isolation imposed because of apartheid.

South Africa has yet to lose a Test series since it was readmitted to Test cricket two years ago, and can clinch its first series in England since 1965 with just one victory in the last two Tests.

Further adding to England's woes were the television pictures that showed captain Mike Atherton performing an "unfamiliar action when handling the ball" during Saturday's play. Atherton was seen removing his hand from his pocket, vigorously rubbing the ball, then handing it to the bowler.

After bowler Darren Gough received the ball, Atherton rubbed his hand on the back of his trousers and on his shirt sleeve.

For his ball tampering, he was fined £2,000 by the England management yesterday.

But Atherton, while accepting the fine, denied using any illegal substance and said he had been using dirt in his pocket to dry his fingers and prevent transferring sweat to the ball.

He said he had dirt in his pocket to keep his hands dry because of the very humid weather but admitted he had not given that information to match referee Peter Burge when he was interviewed.

Earlier, Burge had issued a short statement, saying: "I have investigated unfamiliar action taken by the England captain when handling the ball



STICKY FINGERS — England captain Mike Atherton licks his thumb as he wipes the ball's surface at Lord's. (Reuters)

during the afternoon session. Consultation with the umpires (Dickie Bird and Steve Randall) and inspection of the ball confirmed that there was nothing untoward. I also confirm that no official reports were lodged by any parties. I have accepted the explanation given and no action will be taken."

On the field, McMillan and Matthews starred with the bat as well as the ball, pushing South Africa's second innings score to an unassailable 278 for eight declared.

South Africa had resumed on 195 for four, but England bowler Gough took three wickets in the morning session with beautifully controlled inswing with the old ball.

Gough took the wickets of Jonty Rhodes and Peter Kirsten in the same over with nearly identical inswinging yorkers that knocked over the middle stump. Rhodes made his second 32 for the match to make the score 208 for five, and one run later Kirsten was gone, having added only four to his overnight 40 not out.

With the score on 220, Angus Fraser swung one away from David Richardson, who took an edge which keeper Stephen Rhodes took well behind the wicket moving to his right.

McMillan and Matthews stopped the bleeding with a 58-run stand, McMillan finishing on 39 not out and Matthews bowled for 25 by another inswinger from Gough in the last over before lunch.

PARIS (AP) — Miguel Indurain took the Tour de France title for the fourth consecutive year yesterday, adding his name to a very short list of cycling greats with that achievement.

Riding near the head of the pack most of the day on the 21st and final stage from Euro Disneyland to the Champs-Élysées, Indurain stayed five minutes, 39 seconds in front of Piotr Ugrumov of Latvia. Marco Pantani of Italy was third, 7:19 back.

In the final 175-kilometer stage, France's Eddy Seigneur overtook Frankie Andreu of the US in the last 200 meters. Andreu tried to break away in the final 2km but was caught by the Frenchman.

Indurain finished in the pack with the other leaders.

Ugrumov became the fourth rider to finish second to Indurain in the Tour de France — and every year, the gap grows wider.

In 1991, Indurain won by 3:36 over Gianni Bugno of Italy. In 1992, it was 4:35 over another Italian, Claudio Chiappucci. Last year, Tony Rominger of Switzerland lost by 4:59.

All three of those riders dropped out of this year's 23-day race due to illness or fatigue as the imperious Indurain rode on.

The Spaniard joined all-time cycling greats Jacques Anquetil of France and Eddy Merckx of Belgium as the only riders to win cycling's greatest event four years in a row.

Anquetil, Merckx and France's Bernard Hinault have won five, but never in consecutive years. Indurain will have his chance at history next year, and only the daring would bet against him.

This year's race started in Lille, northern France, on July 2 and covered 3,986km in a counterclockwise course around the country, with a crossing of the English Channel thrown in for good measure.

The race was expected to be a tossup between Indurain and Rominger. But Indurain took control by beating Rominger by more than two minutes in the ninth stage individual time trial.

Rominger, weakened by virus, quit soon afterward. Chiappucci and Bugno also quit in a second week marked by numerous dropouts as heat and strain took their toll. One stage had nearly 20 riders not finishing.

The finish marked the largest difference between first and second in the Tour since 1988 when Indurain's former teammate, Pedro Delgado, won by more than seven minutes.

Americans fared poorly. Three-time champion Greg LeMond — the last person before Indurain to win the Tour — dropped out less than a week after the Tour started. It may be his last Tour — the GAN team said it will not re-sign him next year.

Young Lance Armstrong, who succeeded Bugno as world champion, barely made it into the third week before stopping to avoid being burned out for next month's world championships in Sicily.



L'INVINCIBLE — Miguel Indurain passes the Arc de Triomphe on way to 4th straight Tour de France win. (Reuters)

## Deal surprises in hammer throw

ST. PETERSBURG, Russia (AP) — Not in 48 years had an American won a hammer throw title in a major international meet. Not in the Olympics, not in the World Championships, not in the World Cup, not in a Grand Prix final, not in the Goodwill Games.

Lance Deal, the US record-holder in the hammer throw, ended that drought yesterday at the Goodwill Games. He became the first American since Harold Connolly at the 1956 Olympics to take a hammer throw title, beating the Russian Vladimir Yermolov.

Deal's unexpected performance overshadowed victories by Britain's world and Olympic champion Sally Gunnell in the women's 400-meter hurdles, 1992 Olympic champion Quincy Watts in the men's 400m and Gwen Torrence in the women's 100.

In the first event of the 1994 Goodwill Games track and

field competition, Deal hurled the hammer 80.20m (263 feet, 1 inch). It was the first time an American threw farther than 80m overseas.

Four years ago at the Goodwill Games in Seattle, Russian hammer throwers embarrassed the Americans, sweeping the first four places, while US competitors, led by Deal's fifth-place finish, settled for the next four places.

Since 1954, Russians have dominated the event, with 30 of their athletes being ranked No. 1 in the world. The only American to be No. 1 during that span was Connolly in 1956 and 1962.

The 32-year-old Deal, of Eugene, Oregon, who set the US record of 82.50m last month at Knoxville, Tennessee, unrecorded his winning throw yesterday on his fourth attempt.

## Israel beats Ukraine in youth hoops c'ships; Lithuania, Croatia to meet in finals

JOEL GORDIN

THE Israeli under-18 basketball team last night thrashed the Ukraine 81-55 in the 16th European Basketball Championship for Junior Men at Yot Eliyahu. Israel will play Turkey, 65-54 winners over Germany, for ninth place today.

The runaway victory was Israel's third of the tournament. Previously in the preliminaries, Israel had beaten Italy and Germany. Coach Arif Shebak said afterward, "I am proud of the boys who have kept their fighting spirit until the last moments, despite the previous disappointments. Everything went right last night and we were superior in every aspect of the game, scoring more than 80 for the first time."

In an exciting semifinal, Lithuania turned around a 39-33 halftime deficit to trounce Spain 91-77. In today's final, Lithuania will meet Croatia, an 83-64 victor over Italy.

Also today, France and Greece will contest the battle for fifth place. The first five teams are eligible to take part in the world championships in Athens next year. Since hosts Greece will automatically be in the tournament, France will receive an invitation regardless of the outcome tonight.

Last night's results: Turkey 65, Germany 54; Israel 81, Ukraine 55; France 73, Slovenia 65; Greece 50, Croatia 76; Croatia 83, Italy 64; Lithuania 91, Spain 77.

Today's games: 18:00 — Germany v Ukraine (11/12 place); 12:00 — Israel v Turkey (9/10 place); 14:00 Slovenia v Russia (7/8 place); 16:00 — France v Greece (5/6 place); 18:00 — Italy v Spain (3/4 place); 20:00 — Croatia v Lithuania (1/2 place). The last two games will be shown live on Cable TV Sports Channel 5 starting at 17:50.

## SCOREBOARD

FIELD HOCKEY — Australia, the 1988 Olympic champions, won the Women's World Cup for the first time with a 2-0 victory over Argentina yesterday in Dublin.

## Mac Haifa cuts deal for Russian sweeper

ORI LEWIS

NATIONAL League soccer champion Maccabi Haifa has enlisted the services of Russian defender Oleg Kuznetsov.

The deal, in which the red-headed Kuznetsov will join Haifa on a free transfer from Scottish champions Glasgow Rangers, could be a very lucrative deal for the northerners.

The champions, in an attempt to bolster their ranks before the beginning of their European Cup campaign against Celtic Salzburg next month, have called up Kuznetsov mainly because their defender Roman Petz has not yet recovered from the broken leg he suffered in a match last season.

Kuznetsov moves from Glasgow to Haifa with an understanding that both clubs will share the proceeds from his sale when Haifa decides to dispense with his services.

Kuznetsov, came to Rangers from Dynamo Kiev for \$4.5 million four seasons ago, but has spent much of his time sitting on the bench at Ibrox Park, ever since Walter Smith took over as manager there from Graeme

Souness. Kuznetsov, who is a sweeper, does not conform to Smith's game plans.

In other news, Reuven Atar, who was expected to make a move from Maccabi to Hapoel Haifa, has declined after an arbitrator set the transfer fee at NIS 2.2m.

Hapoel chairman Robbie Shapira said he could not afford to pay for the star midfielder. Atar subsequently re-joined Maccabi, which was at a training camp in the Netherlands.

Maccabi Tel Aviv's Itzik Zohar appears headed to Antwerp. The on-again, off-again deal seems to be falling into place with only "technical" difficulties now holding up the contract which would see Zohar enter a happy hunting-ground for Israeli soccer players in Europe.

If Zohar and Antwerp manage to dot the T's and cross the T's, the Israeli would become the fifth player to play in the Belgian league, following in the footsteps of Ronnie Rosenthal, Eli Ohana, Shalom Tikva and Moshe Sinai.

## Yankees community relations exec resigns

NEW YORK (AP) — Embattled New York Yankees executive Richard Kraft, heavily criticized the past week after referring to black youths as "monkeys" in a New York magazine interview, announced his resignation Saturday.

"I've made up my mind to resign," Kraft said in a statement issued by the club. "It's my personal decision. It's the right thing to do for my health and for the Yankees."

Kraft, who has denied making the racially charged statements, did not address the comments in his three-sentence statement. Stress over the

article aggravated Kraft's heart condition, which was a factor in his decision, the Yankees said.

He stepped down from his job as vice president for community relations just hours after dozens of protesters from the National Rainbow Coalition marched outside Yankee Stadium carrying signs that read, "We're Not Monkeys, We're People."

The Rev. Al Sharpton, who led the protest, said the resignation was a direct result of the pressure brought against the Yankees by minority groups.

"I don't think Mr. Kraft's health went bad in the last few minutes," said Sharpton. "I think the Yankees' health went bad when they saw scores

of people marching in the rain who would keep coming back."

The protest was held outside an empty stadium. The Yankees were playing Saturday in California against the Angels.

Yankees owner George Steinbrenner, a friend of Kraft's for the last four decades, defended his associate in accepting the resignation.

"Anyone who knows him must find it hard to believe that the remarks attributed to him were made," said Steinbrenner, whose request for copies of the interview notes was turned down.

## AMERICAN LEAGUE

### East Division

	W	L	Pct.	GB
New York Yankees	59	38	.604	—
Baltimore Orioles	54	40	.574	4.5
Boston Red Sox	46	50	.479	13.5
Toronto Blue Jays	46	50	.479	13.5
Detroit Tigers	43	54	.443	17

### Central Division

	W	L	Pct.	GB
Chicago White Sox	58	38	.604	—
Cleveland Indians	52	44	.540	6
Kansas City Royals	50	47	.515	8.5
Minnesota Twins	45	51	.469	13
Milwaukee Brewers	46	52	.469	13.5

### West Division

	W	L	Pct.	GB
Texas Rangers	48	51	.484	—
Oakland Athletics	47	52	.475	0.5
California Angels	42	57	.424	6
Seattle Mariners	40	55	.421	8

## SATURDAY'S NL RESULTS:

San Francisco 4, New York 2

Atlanta 8, St. Louis 5 (12)

Chicago 3, Chicago 1 (13)

San Diego 7, Philadelphia 1

Minnesota 11, Los Angeles 0

Houston 11, Pittsburgh 0

Colorado 4, Florida 4

SATURDAY'S AL RESULTS:

Texas 3, Tampa Bay 2

Cleveland 11, Chicago 2

Oakland 4, Baltimore 3

Kansas City 4, Detroit 1

Minnesota 5, Milwaukee 1

New York 7, California 2

## NATIONAL LEAGUE

### East Division

	W	L	Pct.	GB
Montreal Expos	59	37	.615	—
Philadelphia Phillies	52	44	.540	7
New York Mets	46	51	.469	14
Florida Marlins	44	53	.454	15.5

### Central Division

	W	L	Pct.	GB
Cincinnati Reds	57	39	.594	—
Houston Astros	52	42	.554	5
Pittsburgh Pirates	46	50	.479	11
St. Louis Cardinals	46	50	.479	11
Chicago Cubs	42	53	.442	14.5

### West Division

	W	L	Pct.	GB
Los Angeles Dodgers	47	48	.495	—
Colorado Rockies	47	48	.495	0
San Francisco Giants	46	50	.479	2.5
San Diego Padres	39	59	.394	10

## Joe Dawson to Mac Jerusalem

JOEL GORDIN

MACCABI Jerusalem chairman Ronnie Steinbock presented his newly promoted National League basketball team at a press conference yesterday.

The most prominent new acquisitions are Joe Dawson (from Hapoel Eilat), Wayne Campbell (Hapoel Tel Aviv two seasons ago), Gerry Simon (Hapoel Gvat) and Eli Bahi (Hapoel Holon).

Maccabi will play three warm-up games at home before the season's start on September 1: Miami University (August 15), Antibes, runner-ups in the French league (August 18) and Dutch champions Dan Heider (August 21).

## Spain wins Fed Cup

FRANKFURT (AP) — Arantxa Sanchez Vicario and Conchita Martinez won six straight sets to give Spain its third Federation Cup title in four years yesterday, sweeping past the US 3-0 in the final.

Martinez beat Mary Joe Fernandez, 6-2, 6-2 and Sanchez Vicario drubbed Lindsay Davenport 6-2, 6-1.

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## TEL AVIV







# High Court to rule today whether Yi'ud MKs can serve in gov't

EVELYN GORDON

THE High Court of Justice is to rule this morning on whether two Yi'ud MKs can serve as a minister and deputy minister.

Yesterday, however, Justices Meir Shamgar, Eliezer Goldberg, Mishael Cheshin, Zvi Tal and Theodor Orr appeared split.

Following a five-hour hearing, the justices told the parties to wait for their decision. After deliberating for almost an hour and a half, however, they announced that they had not yet reached a conclusion, and asked all the parties to come back this morning.

The petition was filed by the B'Tzedek organization and Tsomet secretary-general Doron Shmueli, against the decision to appoint Gonen Seggev as Energy Minister and Alex Goldfarb as deputy housing minister.

It is based on an amendment to the Basic Law: Knesset which imposes a number of sanctions on MKs who leave their parties. One of these sanctions says such an MK cannot be made a minister or

deputy minister during that Knesset.

Technically, the Yi'ud MKs did not "desert" Tsomet; instead, Tsomet was considered to have split in two. While the amendment explicitly says that many of the sanctions listed do not apply to cases where a party breaks up, the prohibition against a breakaway MK serving as minister or deputy minister does not include such a proviso.

Therefore, the petitioners argued, this sanction clearly applies to party splits as well.

The state's attorney, head of the Justice Ministry's High Court division Nili Arad, argued that this interpretation doesn't match the law's intent.

The only definition given of an MK who leaves his party, she said, is an individual - not a group - who receives a benefit in exchange for not joining his party in a no-confidence vote. Therefore, only

an individual MK should be subject to the sanctions listed in the law, she said.

Shamgar, however, appeared to have difficulty with this argument.

"The purpose of the law is to prevent MKs from being bought," he said. "According to your interpretation, there's a form of buying MKs which is forbidden and a form which is permitted."

Goldberg challenged another of Arad's arguments: that the test for deciding a party has split in two is based only on the number of MKs who leaves, with no ideological component. If a group of MKs leaves and signs an agreement that completely contradicts the ideology of the mother party, he asked, shouldn't they be considered to have left the party, with all the attendant sanctions?

Finally, Arad argued that the law recognizes a breakaway MK - as opposed to a breakaway MK - as a "legitimate faction for

every purpose." For instance, such a faction receives state funding, and can demand representation on Knesset committees. Therefore, she said, it should also be able to join the government, just as any other faction can.

Goldberg commented that perhaps this one sanction was left in place for factions precisely because a faction's motives in joining the government are never certain: It could be motivated by ideology, but it could also be eager for ministerial posts.

But the justices did not give the petitioners an easy time, either.

Goldberg, for example, questioned whether there should really be a blanket prohibition on breakaway factions joining the government. If, for instance, a breakaway faction took nothing from anyone for three years, and then, because circumstances had changed, wanted to join the government a few months before the next election, should that really be forbidden, he asked?

## Deri pleads not guilty; trial starts September 1

EVELYN GORDON

FORMER interior minister Aryeh Deri pleaded innocent yesterday to charges of corruption.

Deri is being charged with bribe-taking, fraud, violating the public trust and falsifying corporate documents.

The trial is slated to begin September 1, before Judges Ya'acov Zerah, Miriam Naor and Moussia Arad.

According to the indictment, Deri received more than \$150,000 between 1985 and 1990 from three other Shas activists - Aryeh and Moshe Weinberg and Yom Tov Rubin - in exchange for using his influence at the Interior Ministry to help various organizations in which all four were involved.

This money included some \$69,000 for Deri's two apartments in the Har Nof section of Jerusalem. \$35,000 paid to various craftsmen who did work on the apartments and four trips abroad worth some \$15,000.

In his plea to the Jerusalem District Court, Deri said all of these sums had come out of his bank account. While in most cases one of the other three defendants physically paid the money, Deri was the one who provided the money, the document said.

In another document submitted to the court yesterday, Deri's lawyer, Dan Avi-Yitzhak, charged that there were several flaws in the indictment. Most of these related to lack of detail.

According to the document, the prosecution consistently failed to state the size of the payments Deri allegedly received, the dates on which they occurred, and which of the other defendants allegedly made them.

With regard to the appointment of Weinberg as head of the Lehavim council, the indictment also failed to specify what qualifications were supposedly needed for the post, and by dint of what law, the document stated.

## Experts: Pact with Shas could change state's secular nature

ANALYSIS

DAN IZENBERG

ACCORDING to Paragraph 2 of the coalition agreement initiated by the leaders of the Labor Party and Shas on Friday, an amendment will be tacked on to the Basic Law: Human Dignity and Freedom, guaranteeing the virtual inviolability of all legislation, municipal by-laws and other rulings meant to protect Jewish religious customs or values.

The amendment declares that the Basic Law: Human Dignity and Freedom cannot nullify or weaken any ruling on religious matters which existed before the law was passed. It provides the following all-inclusive definition of "religious matters": "Any authorized ruling whose aim is to protect the way of life and sensibilities of the religious population."

Subsection (c) of the amendment declares that an absolute majority of 61 MKs will be required to pass any law contradicting existing religious legislation. Subsection (d) applies the same constraint to new religious legislation contradicting the basic law.

The coalition agreement includes another provision, Paragraph 4, calling for the establishment of a committee of five jurists who will recommend within 100 days of the signing of the coalition agreement "appropriate legislation to create a solid basis for the religious status quo and to safeguard its ongoing existence."

MK Rafi Edri claims that the agreement does not introduce anything new into the current rules of co-existence between the religious and secular communities. "All we have done is find a way to maintain the status quo which has existed for 46 years," he said.

Opponents, including some legal experts, maintain that the changes Shas is demanding and Labor is acquiescing to are revolutionary. Here are some of the rea-

sons they give:

• For the Orthodox, the definition of "religious matters" encompasses almost every aspect of life. Since the Orthodox believe that "all Israel is responsible for one other," they feel entitled to interfere in the private lives of their secular co-religionists.

• In the foreseeable future, given the pivotal role of the religious parties in determining which big party governs, it will be impossible to mobilize a majority of 61 MKs to amend religion-related legislation for any reason - be it changes in social values, perceptions of quality of life, technology, etc.

• The amendment will render the High Court of Justice powerless to prevent religious coercion. For example, as legal affairs commentator Moshe Negbi pointed out, if a city council rules that all girls must wear only dresses to school, opponents will not be able to petition the High Court for a remedy.

According to Negbi, the amendment "approaches, if not crosses over, the thin red line separating democracy from theocracy."

• The establishment of a committee to pass legislation to enforce the status quo (in addition to the amendment to the Basic Law: Human Dignity and Freedom) indicates that Shas may seek to roll back existing secular gains. The haredim are convinced that the secular have made substantial inroads into the "status quo" since the concept was formally introduced as policy by David Ben-Gurion in 1947.

Attorney Avraham Gal, a human rights specialist and member of the Citizens Rights Movement's governing council, believes the law will lead to more restrictions on Friday night entertainment, further encroachments on public transportation on Sabbath afternoons, elimination of secular burials, broader authority for the religious courts, etc.

## Histadrut parliament, executive make their debut

MICHAEL YUDELMAN

THE Histadrut's new parliament convened for the first time yesterday and elected the new executive.

The parliament replaces the executive committee, and the executive bureau will now be known as the executive. Newly-appointed Histadrut Secretary-General Haim Ramon will have a new title as well, and will be known as the Histadrut chairman, according to parliament chairman MK Ran Cohen.

The meeting was marred by a stormy demonstration of hundreds of the Histadrut's tax collection workers, who besieged Histadrut headquarters.

They were protesting the expected dismissals of most of them when the collection is transferred to the National Insurance Institutions, with the introduction of the national health insurance law. The demonstrators demanded the same severance pay as Israel Aircraft Industries workers, complaining that so far, despite all the promises, no one had met with them to discuss their future.

MKs Haim Oron and Amir Peretz promised to help them and the siege was finally lifted and the new Histadrut parliament, trimmed down from 374 to 122 members, could begin its first session.

The new Histadrut executive, yesterday voted on by the parliament, consists of 23 members: 13 representatives of the ruling Ram faction, of them four of Ramon's camp including Ramon himself, four from Mapam, three from Shas; two from the Citizens Rights Movement; nine Labor members, one member of the Arab Democratic Party, and one representative of the Joint Jewish-Arab List.

The members of the executive are, apart from Ramon: Na'amat Secretary-General Ofra Friedman (Labor), Treasurer MK Haim Oron (Mapam), Chairman of the



Histadrut Chairman Haim Ramon and Trade Union Section Chairman Amir Peretz talk things over at yesterday's meeting of the Histadrut parliament. (Akon Ron/Israel Sun)

Trade Union Section MK Amir Peretz (Ram). Chairman of the Organization and Labor Council Section Pimi Shomer (Labor), Chairman of the Administration, Personnel and Instruction Section Meir Gatt (Labor), Chairperson of the Youth, Young Guard and Students Section Noga Botankay (Labor), Ya'acov Yishai (Ram), Shmuel Avital (Ram), David Tal (Shas), Yoram Obrakovitz (Labor), Efraim Zilony (Mapam), Raleb Majadiah (Labor), Haim Habertfeld (Labor), Binayim Gonen (Joint List), Ehud Paporish (Labor), Adina Marks (Mapam), Gershon Gelman (Labor), Michel Elmaliah (Labor) and Muhammad Mafra (Mapam).

Labor's Arab representative Raleb Majadiah will receive an operative portfolio on the executive, thus becoming the first Arab member to enjoy the privilege.

Ram MK Shmuel Avital did not show up for the convention. He reportedly had his heart set on receiving the settlement portfolio, but was refused. The parliament voted on only one out of three Shas representatives in the executive - David Tal - and Shas's mentor Rabbi Ovadia Yosef is to decide on the remaining two members within the next few days.

Ramon surveyed his activity during the past six months and promised to pay Kupat Holim the NIS 2.2 billion undertaken by the

Histadrut, noting that for the first time, 90% of the *mas ahid* (Histadrut membership dues) will be going to Kupat Holim.

He said there would be no escape from dismissals, and the personnel list of Histadrut headquarters will be adapted to its new needs, instead of the other way around. However, he promised all firings will be made with full coordination with the workers' union.

Ramon reiterated his statement that from now on the Histadrut's pension funds will not be bound to work with Bank Hapoalim exclusively, ignoring the fact that for the past five years the pension funds have been working with other banks as well.

### Argentina requests UN Security Council meeting

THE Argentinian government has requested an urgent meeting of the United Nations Security Council to discuss last week's bombing of the Jewish community center building in Buenos Aires.

Rescue workers, including IDF personnel, continue to search for bodies in the wreckage of the blast. The number of victims rose to 58 yesterday after four more bodies were found. 60 people are still missing in the wreckage, and rescue workers doubt that any are still alive.

### Forest fire burns wide area in Jerusalem hills

SEVERAL hundred dunams of forest were burned yesterday in a fire near Shores and Shoeva in the Jerusalem hills. Fire officials believe it was caused by arson, since it broke out in several different places.

The fire broke out at around 3 in the afternoon. The terrain made fighting the fire difficult, officials said, and firemen were deployed near the entrances to Shores and Shoeva, to prevent the fire from spreading to the two moshavim. (Itim)

### 'Disgruntled Shas Voters' want sages to decide whether to join coalition

HERB KEINON

A GROUP called Disgruntled Shas Voters turned to the Jerusalem Rabbinical Court yesterday to keep Shas from joining the coalition until a meeting on the matter is held by the party's Council of Torah Sages.

The rabbinical court referred the matter to Shas's internal rabbinical court, with the stipulation that the party not make any coalition moves until the court decides whether the Council of Torah Sages has to okay the decision to enter the government. Jerusalem lawyer Moshe

Drori, representing the Disgruntled Shas Voters, said the group is just trying to ensure that the party's decisions are made by the Council of Torah Sages, and not by the party's political leadership.

The Council of Torah Sages has not met for months, however, and there have been numerous unconfirmed reports that members Shimon Cohen and Shalom Badani have pulled out of the council, because of they disagree with the party's involvement with the current government.

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